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Order of Battle Along Thai Border
42070017 Bangkok LAK THAI in Thai
25 Feb 88 pp 24-26

[Unattributed report: "Lao Order of Battle: Twelve Battalions Battle Thai Forces in the Heuang Nga River Conflict"]

[Text] As for the deployment of Lao forces in Lan Chang (Sayaboury Province), after Thailand deployed forces to open the Lao troops from Thailand along the Heuang Nga River, which forms the border, Laos began bringing up increased numbers of combat support troops. The deployment of combat support forces by Laos includes the following: additional AAA and SAM 7 and 9 missile units have been attached to combat units. New communications bases have been established, and field hospitals have been set up near the battlefields. The logistics units are using women and children as important forces in transporting weapons, ammunition, and food supplies. This is the same thing that Vietnam did during the fighting in Laos and Vietnam.

LAK THAI is reporting from Ban Rom Klao on the Lao military situation in this area. We are reporting on certain points that can be disclosed without adversely affecting the operations of our forces. The report will be divided into sections based on the nature of the units engaged in combat operations.

Headquarters

Laos has established its main headquarters, where the command and personnel sections work, at Ban Na Kok, which is north of the battlefield. To the south is Loei Province, to the southwest is Phitsanulok Province, and to the west is Uttaradit Province. There are also headquarters at three other places. One is at Ban San southeast of Phu Mieng, the headwaters of the Heuang Nga River. This headquarters is responsible for fighting in the northern zone. Another headquarters is located at Ban Nam Phiang, which is located approximately 2 km northeast of the Heuang Nga River near our headquarters at Ban Na Charoen in Na Haeo District, Loei Province. The headquarters at Nam Phiang is responsible for the southern zone. The third headquarters is located in eastern Bo Ten District. It is located near Tha Li District in Loei Province. Thus, there are headquarters to control the combat operations of the troops deployed in a line from north to south, that is, from the Ban Na San headquarters to the Ban Nam Phiang headquarters.

Combat Forces

The combat forces include infantry, cavalry, artillery, and special operations (paratrooper) units.

The 406th Infantry Battalion is based at Hill 1365, Phu Wiang, a high mountain range opposite the Phu Soi Dao mountain range in Thailand. It is based about 1,800

meters from the Thai border. The 411th Infantry Battalion is based nearby. Both of these battalions are based east of Thailand's Hill 1870.

The 409th Infantry Battalion is based south of the two battalions mentioned above. It is based near Hill 1015 about 1 km from the Heuang Nga River. It is based very close to the border and is considered to be the forward battalion. The 412th Battalion based at Bo Ten is a support force. But it could be turned into a forward battalion. If the direction shifts or the combat zone expands, this battalion could become an infantry battalion.

There are three 130-mm artillery companies and a T-59 tank company (19 tanks) based at Ban San. There is an artillery company at the 411th Battalion. There is an artillery company and a tank company at Bo Ten.

There is an infantry battalion and an artillery battalion based at the Ban Na Kok headquarters. As for combat support units, there are artillery units and SAM 7 and 9 sites east of the 402d Battalion, that is, to the rear of the battalion at Prachitsai and to the front of the 411th Battalion. The medical battalion has established field hospitals at the headquarters of the 402d Battalion, at the Ban Nam Phiang headquarters, and near the 411th Battalion in Bo Ten. There is a field hospital at the Ban San headquarters in addition to the one at Paklai, which is where the wounded are sent.

Joint Combat Headquarters

Vietnam has established a joint headquarters at Ban Na Kok. This headquarters is part of the "Indochinese Joint Combat Headquarters" in Sayaboury Province. A regiment of Vietnamese soldiers is based at Paklai, that is, the 3d and 39th infantry battalions of the 3d Infantry Regiment and an independent special combat company.

Fewer Vietnamese/Lao forces are stationed in northern Laos. Phong Saly, Luang Namtha, and Bo Keo provinces each have one battalion of Lao troops (although the force in Bo Keo is being upgraded to a regiment). There are no Vietnamese forces stationed in these provinces. In Luang Prabang Province, there is a Lao reinforced regiment (brigade) but no Vietnamese troops. There are, however, Vietnamese forces in Oudomsai Province. That is, the 819th and 875th infantry battalions and the 19th and 879th battalion combat teams are based there. These infantry battalions all have tank companies attached to them.

In Xieng Khouang Province, there is a Lao battalion and a Vietnamese battalion, that is, the 324th Infantry Battalion. In Houa Phan Province, there is the Vietnamese 46th Infantry Battalion and the 76th Infantry Battalion, which is a battalion combat team.

In Vientiane Province, there are two Lao regiments or six battalions and two Vietnamese battalions, the 176th and 196th infantry battalions. There is a Vietnamese-/Lao battalion combat team, the 88th Battalion, based in northern Vientiane Province. There have been reports that elements of this battalion will be transferred to Sayaboury Province.

Forces in the South

The Vietnamese 16th Infantry Regiment is stationed in Khammouan Province. There are no Lao troops stationed in this province. In Savannakhet Province, the 880th, 830th, and 968th infantry battalions are stationed along the Vietnamese-Lao border. The 1st, 2d, and 3d infantry battalions of the 9th Infantry Regiment are stationed in the southern part of the province. The 10th, 11th, and 12th battalions of the 4th Infantry Regiment are stationed along the Mekong River. The 4th Battalion of the 968th Infantry Regiment, which is a special combat unit, is based in the southern part of the province. This is a Vietnamese regiment. The 9th Infantry Regiment is composed of the 8th Tank Battalion and three infantry battalions. Savannakhet Province has the largest concentration of troops of any province in the country.

There are no Vietnamese troops based in Saravane Province. But the Lao 3d Infantry Battalion, which is a special combat unit, is stationed there. The Vietnamese units stationed in Champassak Province include the 36th Tank Battalion, the 5th and 19th infantry battalions, and the 40th Engineers Battalion. There is also a Lao infantry battalion stationed there. The 7th, 8th, and 9th infantry battalions of the Vietnamese 307th Infantry Regiment are stationed in the southern part of the province. The 40th Engineers Battalion is a support battalion. The units stationed near the Cambodian border include the 411th Infantry Battalion, which is a Vietnamese-/Lao battalion combat team, and the 16th and 10th infantry battalions. There are a large number of troops stationed in southern Attapeu Province. This includes a Lao infantry battalion, a Vietnamese tank battalion, the 82d Tank Battalion, and the 28th and 12th infantry battalions, to which are attached engineer companies and which are supported by the 32d Tank Battalion and the 38th Battalion, which are stationed near the Vietnamese border.

11943

LAK THAI Profiles Border Dispute Negotiating Team

42070118 Bangkok LAK THAI in Thai
17 Mar 88 pp 23-25

[Excerpts] During the two rounds of negotiations held with Laos—the first round of talks was between military leaders and the second was between political leaders aimed at making further progress—the names of two of the Lao representatives made the Thai suspicious. This

was because these two men participated in both rounds of talks, that is, in the talks at both the military level and the political/diplomatic level. The two men referred to are Brigadier Gen Thonglai Komasit and Mr Thonglun Sisulit.

During the talks between military leaders at Don Muang on 16-17 February, Gen Sisavat Keobounphan, the chief of the general staff of the Lao armed forces, headed the Lao negotiating team, which included Brigadier Gen Thonglai Komasit and Mr Thonglun Sisulit. During that round of negotiations, Mr Thonglun served as the secretary of the team leader, that is, Gen Sisavat. He was there to "carry the briefcase." But at the diplomatic-level negotiations held to expand on the agreements reached by the military leaders, he again participated in the talks, this time as an "important" figure. When his name was sent to the Ministry of Foreign Affairs, he was listed as being a deputy minister in the Office of the Council of Ministers of the LPDR, which is the equivalent of a deputy minister attached to the Office of the Prime Minister. Brigadier Gen Thonglai holds the position of deputy head of the General Political Department of the Lao People's Army, a position equivalent to that of a minister. Thus, in only a few days, the image of Brigadier Gen Thonglai and Mr Thonglun changed so much that the Thai could hardly keep up.

At the talks between military leaders, he was subordinate to Gen Sisavat Keobounphan. But when Brigadier Gen Thonglai returned to participate in the second round of talks, which was at a higher level, that is, at the political/diplomatic level, it was he who formulated the political policy of the military and who headed the Lao team, which was senior to the first team. And he made full use of his political power during the negotiations.

Thonglun, a Young Lao Leader

Mr Thonglun Sisulit, a deputy minister in the Office of the Council of Ministers, is 37 years old. In terms of rank, he is the 18th most important person in Laos.

Thonglun studied political science in Moscow. He was the head of the Lao students in the Soviet Union. After returning to Laos, he kept in close touch with several former Thai student leaders living in Laos. There have been reports that he played a role in helping the various factions of the Communist Party of Thailand to reconcile their differences during the period of serious conflicts within the party.

Mr Thonglun is a young man with a bright future in Lao political circles. It is thought that he will be one of Laos' leaders in the future. It's possible that he could even become the prime minister or the president of the Council of Ministers in place of today's aging leaders. Because he has many years ahead of him yet.

At the military-level talks held at Don Muang on 16-17 February, at which Gen Sisavat headed the Lao delegation, Mr Thonglun was the only civilian on the Lao negotiating team. The Thai delegation was composed of military officers only. No one from the Government House or from political circles participated in these discussions. But Laos sent an important political figure, who is 18th in rank, to participate in the negotiations and learn about the problems. He is one of those who will help formulate or recommend policies on which the government will make decisions for Gen Sisavat Keobounphan.

Only One Real Soldier

A military news source of Lak Thai said that during the talks between military leaders on 16-17 February, the only Lao military leader who participated in the talks was Gen Sisavat Keobounphan, the chief of staff officers. Because even though Brigadier Gen Thonglai Kommasit holds a military rank, he is not a military commander. His actual duties concern stipulating military policies formulated by the LPRP [Lao People's Revolutionary Party] Central Committee. In effect, he is a political officer. And Mr Thonglun Sisulit is a civilian. He was participating in the talks as a representative the Lao Presidium. Did the senior Thai officers participating in the talks know who was who, what positions they held, and what their objectives were in participating in the talks? Based on the power system in Laos, it is the Political Department, or party central committee, that formulates policy for the military. Thus, it's good that two important members of the Political Department, that is, Brigadier Gen Thonglai Kommasit, the deputy head of the army's Political Department, and Col Sombun Sisavat, the assistant head of the General Political Department, participated in the talks. And Mr Thonglun Sisulit, representing the government, participated, too. But others have observed that Laos played a trick by sending people who were not directly involved in the fighting at Ban Rom Klao to participate in the talks to arrange a cease-fire. Brigadier Gen Thonglai and Col Sombun are involved in formulating policy. In effect, Laos sent policymakers to control the military during the talks. They should have allowed soldiers to talk with soldiers free from interference by other powers. And when Brigadier Gen Thonglai returned as head of the second, higher level delegation, which clearly showed how much power he really wields, it became obvious that Laos had formulated a clever negotiating strategy with long-term results in mind. Thus, it sent people responsible for handling future negotiations to learn about or study the problems during the initial talks. A senior military officer told LAK THAI that it's good that people with political power participated in the military-level talks, because this will facilitate making decisions, particularly concerning a cease-fire. If those with political power in Laos, or the party central committee, feel that there should be a cease-fire, the military will stop fighting immediately. And it's good that Laos has had a chance to see Thailand's sincerity during the negotiations at both the military and political levels.

A Bright Future for Thonglai

An army news source in the intelligence field said that Brigadier Gen Thonglai has been responsible for formulating several lines based on his position in the General Political Department, which is directly subordinate to the LPRP Central Committee. For example, when Gen Chawalit Yongchaiyut and his team visited Vientiane on 23-24 February, Brigadier Gen Thonglai told them that the military delegations observing the cease-fire and 3-km pullback of each side should, according to the agreement, continue to carry out their duties until a political agreement is reached. This shows the power of Brigadier Gen Thonglai, who was looking at the future of Lao-Thai negotiations and at the reports that Lao politicians were unhappy that each side was to withdraw 3 km, which meant that Lao forces had to pull back from the Heuang Nga River. They had to withdraw their forces from the zone under contention while Thai troops were still in the area. Lao officials felt that Laos had gotten the worst of the deal. Delving deeply into this, if Brigadier Gen Thonglai had not participated in the negotiations, during which each side agreed to withdraw its forces 3 km, this would have had greater political consequences in Vientiane. Brigadier Gen Thonglai undoubtedly thought that there would be problems during the next round of negotiations and so the power of the monitoring team established by the cease-fire agreement was preserved until the political negotiations achieved results. In the joint Thai-Lao communique issued at the Ministry of Foreign Affairs, the final paragraph repeated that the cease-fire negotiations on 17 February must lead to further results and that these negotiations made progress on only one front. This final paragraph called for a permanent cease-fire to be ratified during the political/diplomatic negotiations. That would prove that the bilateral military negotiations had been approved.

Our news source said that Brigadier Gen Thonglai's unit is directly subordinate to the LPRP Central Committee. He is the "right hand" of Lt Gen Saman Viyaket, who wields the greatest political power in Laos [as published]. In the future, it is expected that Brigadier Gen Thonglai will be appointed to one of the positions presently held by Lt Gen Saman. That is, he might become a member of the Politburo of the Party Central Committee. It is thought that Lt Gen Saman Viyaket will retain his positions on the party secretariat general of the Party Central Committee and head of the Organization Committee of the Party Central Committee.

In the future, it is thought that Brigadier Gen Thonglai will gradually take over the powers of Lt Gen Saman Viyaket as Lt Gen Saman grows older and has to cut back on his work. Brigadier Gen Thonglai will then become the most powerful person in Laos.

Thonglai Stipulates Things

A news source from the Ministry of Foreign Affairs said that when Brigadier Gen Thonglai, who oversees Lao foreign policy, took over as head of the Lao delegation during the negotiations with the Ministry of Foreign Affairs on 3 and 4 March, the atmosphere at the talks or

the topics proposed by Laos were determined by Brigadier Gen Thonglai. This was the case even though changing the delegation's leader was the direct responsibility of the Lao Ministry of Foreign Affairs. Because it was Brigadier Gen Thonglai who played the leading role in the negotiations with Thailand's under secretary of foreign affairs.

11943

ISA To Be Retained To Preserve Democracy
42130109d Kuala Lumpur UTUSAN MALAYSIA in
Malay 16 Mar 88 p 2

[Text] Kuala Lumpur, 15 March—The Internal Security Act (ISA) will not be repealed. On the contrary, it will be retained to strengthen democracy. This was stated by Megat Junid Megat Ayob, deputy minister of home affairs, on 15 March.

Megat Junid stated that in addition the ISA is very much needed from the point of view of preventing any person from acting in any way to harm national security, the provision of essential services, or national economic life.

Concluding the debate on the royal address in Parliament, Deputy Minister Megat Junid said: "Without the ISA we would not be able to maintain public security and order, because in this country there are still many people who do not want security."

In connection with the action taken by the government in arresting and detaining several persons under the ISA the deputy minister said: "The government will present a white paper in Parliament to clarify in detail the role and activities of the group which led to the situation which harmed public order and threatened national security in October 1987."

According to Megat Junid, the government's action was also based on the activities of individuals who threatened national security. There was no direct connection with any political group.

He added: "Although their arrests were ordered by political figures, I am certain that there will be no opposition to them in this country."

He also declared that if the government had not taken firm action at the end of October 1987, a difficult situation would have arisen and there was a considerable possibility that this session of Parliament could not have been held.

He added: "This proves that the government has taken proper action to ensure that national security and public order were maintained."

Regarding the charge that details of the charges against the persons involved were confused, the deputy minister declared: "The details of the charges were based on the activities of these individuals, and how they will be used is a matter for the authorities concerned."

Megat Junid said that the details of the charges will be carefully examined by a group of advisers who will hear the appeals of the detained persons against the order issued for their detention. Furthermore, he said, this should not be based on the results of the police investigation at the time these persons were detained under Section 73(1) of the Internal Security Act.

05170

PM Backs Constitutional Amendment On Judiciary
42130101a Kuala Lumpur UTUSAN MALAYSIA in
Malay 18 Mar 88 p 2

[Text] Kuala Lumpur, 17 March—Datuk Sri Dr Mahathir Mohamad explained that the position of the courts, especially the limits of the responsibilities of the judicial, executive and the legislative branches, must be further defined so that no branch of the government interferes in the way other branch handles its responsibilities.

The prime minister said the amendment was important because there were indications in the past that the judiciary felt it could consider matters that were expected to be solely within the purview of the executive branch.

Speaking this afternoon at the House of Representatives concerning the draft bill to amend the Federal Constitution, he explained:

"If one branch of the government can interfere in the operational field of another, the national administration will be threatened and will become weak. We shall be unable to ensure the stability and the welfare of the nation."

The prime minister said that this amendment was needed also because the people, the residents of this country as well as the government should be clear about what was right and what was wrong from the standpoint of the law of the land. According to the prime minister, it would be very difficult for someone to do something if he did not know whether what he did was legal or illegal because the written law could be ignored.

In his almost hour-long speech, he felt that if the law continued to be vague, it would be unfortunate for someone accused of violating the law if the court decided the case using conventional wisdom rather than taking into account existing laws. The court, Datuk Sri Dr Mahathir said, could hand down a decision after comparing a case with a similar case in another country, a case which the public knew nothing about and, moreover, sometimes one not even the attorneys who advised the defendant knew anything about.

Therefore, he said, what usually happens is that the court hands down different decisions in similar cases. The first case is never discussed by the court because the stipulations of the law are observed. Unexpectedly, the other case is discussed, and the defendant is found guilty based on "natural justice" or unwritten "judicial reviews."

Clearly, the unrestricted use of British Common Law, without differentiating between British and Malaysian culture and customs, the use of unwritten rights of the court such as "judicial review," "natural justice," and

others makes the written law ineffectual. The public as well as the government, therefore, cannot be guided by the law when they act. Datuk Sri Dr Mahathir added, in Britain Parliament is the highest legal authority, and the British Constitution is unwritten and carries no more authority than Parliament.

Thus, the prime minister said, the British Parliament can make a final decision about something, and others must accept its decision and may not interpret the situation in a different way.

In Malaysia, the prime minister said, the people agreed to have a written constitution that would be a source of law and the very highest legal authority.

However, he said, the interpretation of all laws and the constitution are unrestrictedly turned over to the courts.

6804/12232

Ghafar Denies Country Facing Crisis of Confidence

Kuala Lumpur UTUSAN MALAYSIA in Malay
29 Mar 88 p 13

[Text] Kuala Lumpur, 28 March—Deputy Prime Minister Ghafar Baba on 28 March denied the charge made by certain groups that Malaysia is facing a "crisis of confidence."

Without naming the groups concerned, the deputy prime minister declared that, in fact, those who were spreading this charge were just carried away by their passions and paid no attention to whether what they were saying was true or not.

He spoke about these actions in his speech opening the Seminar on Opportunities for Technological Development in Small Industry, which is being held at the Hotel Ming Court in Kuala Lumpur.

Ghafar said that, compared with other countries in this area, Malaysia may be proud of itself from the point of view of confidence.

He said that the people of this country have freedom from every point of view, and the greatest aspect of this freedom is the freedom to form their own government. According to him, the people of this country have also had an opportunity to demonstrate their abilities in this respect during the 30 years that Malaysia has been independent.

He said: "We enjoy political stability and a strong financial position, although at times we have faced problems related to declining development in other countries."

In this connection the deputy prime minister reminded his listeners of the importance of a strong economic position and of people of all groups continuing to be united in defending their independence.

He said that people in other places in the world would not care or be sad to see the Malaysian people poor and the country in an uproar.

He declared: "They have no time to help us, because among them there are those who are facing greater problems, and meanwhile Malaysia is doing well, depending on its 16 million people."

He added that the government has done and is doing a number of things to turn Malaysia into a developed country, and this is by no means impossible to do. Regarding the 2-day seminar which he opened on 28 March, Deputy Prime Minister Ghafar said that the government is aware of how important a role small industry plays in the effort to accelerate even further the development of the manufacturing sector in this country and how both large and small industry must move forward together in achieving this objective.

He said that it is admitted that small industry in this country still uses traditional technology which has a low level of productivity and output, while technological skill is the foundation for the development of modern, small industry.

He gave as an example how many of the principal purchasers of Malaysian batik products have shifted to suppliers of batik from other countries because Malaysian industry cannot meet the needs of its customers.

He said: "When you review the matter with them, they say that the level of our batik production and the patterns used cannot compete with the output of their new suppliers."

05170

Ghafar Announces New UMNO Membership Rules

42130108c Kuala Lumpur UTUSAN MALAYSIA in Malay
26 Mar 88 p 1

[Text] Malacca, 25 Mar—UMNO (New) Deputy President Ghafar Baba said today all government employees in group A may be party members but may not participate actively.

"They may be ordinary members only and are not permitted to hold any positions in the party," he said.

Ghafar said he was making this statement because of confusion related to application for membership in New UMNO among potential party members, particularly those who are government employees in that group.

The deputy prime minister made this statement to reporters following Friday prayers here at the Teluk Mas Mosque in response to the reporters' request for comment on the dropping of several group A employees from the list of New UMNO chairmen of division founding committees.

According to Ghafar, members of the public who want to be New UMNO members are permitted to be members of only one branch.

He stated that membership in more than one branch is a violation of the New UMNO constitution, and no one will be permitted to do that again.

He said studies have found that a small group of former UMNO members had membership in two branches, one in a city and another outside the city.

The deputy president of New UMNO did not specify, however, the actual number of members who had two memberships in the former UMNO.

Ghafar also explained that members of the public who want to be members of New UMNO do not need to submit photographs, although space is provided for that purpose on the New UMNO application form.

He said this to clear up confusion about the requirement for a photograph on the New UMNO application. He added that the photograph requirement on the application had been canceled after it was found that the price was too high for members of the public, especially those outside the cities.

He speculated that former UMNO members would apply for membership in New UMNO, but it is still too early to determine exactly how many there will be, since they are still waiting for the new party applications to be distributed.

6942

PAS Extends Apology to Ghafar Baba
42130101d Kuala Lumpur UTUSAN MALAYSIA in
Malay 17 Mar 88 p 1

[Text] Kuala Lumpur, 16 March—The sole representative of the PAS [Parti Islam Se-Malaysia-Pan Malaysian Islamic Party] in Parliament today asked pardon of Mr Ghafar Baba, deputy prime minister, because he accused him of proposing a meeting of Malays last year to overturn Datuk Sri Dr Mahathir Mohamad. Haji Nik Abdullah Arshad (representing Pengkalan Cepa) apologized after Mr Ghafar expounded on the accusation when he wrapped up a discussion of the royal decree in the House of Representatives this afternoon.

The PAS representative made the accusation last Thursday [10 March] when he discussed the royal decree. He reportedly accused Mr Ghafar of authorizing anti-Mahathir banners to be brought to the convention that was scheduled to be held on 1 November (the convention was postponed).

Haji Nik Abdullah alleged that Mr Ghafar planned to overturn the prime minister so that he could take his post. In a lengthy clarification, Mr Ghafar said the PAS had made a very slanderous remark when it alleged that the meeting of the Malays, that was postponed, was proposed by him alone.

"It was not I who proposed that the convention be held, as the PAS accused me of doing. The decision to hold the convention was made in an UMNO [United Malays National Organization] Supreme Council meeting," he said.

Mr Ghafar said Haji Nik Abdullah clearly had violated the teachings of the Koran by creating distrust of another person, and by not making a careful check of his information. Clearly, the PAS representative had told a big lie and tossed unproven accusations about merely for his party's interests. "I would like the PAS to retract these accusations and repent of making grave slanderous remarks about me," Mr Ghafar said. On hearing this, Haji Nik Abdullah rose and said, "If the honorable member is right and if I am wrong, I beg his pardon."

Mr Ghafar said, "If this is a public apology, I forgive you because I am a Muslim."

Earlier, the deputy prime minister said that what the PAS representative did was the party's attempt to set him against Datuk Sri Dr Mahathir.

Mr Ghafar also said that Haji Nik Abdullah made even more slanderous statements when he alleged that the anti-Datuk Sri Dr Mahathir banners at the convention site proved that Mr Ghafar wanted to overturn the prime minister.

"I did not see any anti-Mahathir banners; moreover, that convention was postponed," he said. Mr Ghafar then demanded that the PAS show proof that banners were there. Haji Nik Abdullah, however, did not rise to respond to Mr Ghafar's request.

"What did not happen... that was slander. It is most regrettable that a leader who confesses to being a member of an Islamic party, makes slanderous remarks to get me to fight with the PM," he said.

This accusation, according to Mr Ghafar, is something that is viewed gravely by Islam because being obedient to a lawful government is not just "pretending to obey," but is an obligation to obey.

He then quoted verse 59 of the An-Nisa Chapter, which, among other things, orders Muslims to obey Allah, and the prophet, as well as a lawful government. Mr Ghafar also said it was true that the UMNO had problems, but they were not so great that the government which it supported would fall like those of Kelantan and Terengganu when the PAS governed them earlier. Mr Ghafar also said that the PAS had accused the UMNO of being an infidel organization because it cooperated with the MCA [Malaysian Chinese Association] and the MIC [Malaysian Indian Congress]. However, "after 30 years, the PAS became aware of its error and prior to the last election, it entered into partnership with the Majlis Perundingan Cina (CCC) [Chinese Consultative Council].

"However, where is the CCC going now, honorable member from Pengkalan Cepa?"

"Why get a divorce before you are married?" he asked while government supporters rapped on the table. Haji Nik Abdullah then rose and reportedly denied that the PAS had accused the UMNO of being an infidel organization because it cooperated with non-Muslims.

Mr Ghafar explained that the victory of the Barisan Nasional [National Front] in the recent Tanjung Puteri minor election was an unqualified victory, and the relatively small number of votes obtained was not an indication of a lack of influence as the PAS alleged.

"The BN [Barisan Nasional] courageously competed there, but I did not see a PAS poster during that minor election because the party was afraid of being defeated and losing the funds it deposited," he said accompanied by the resounding raps on the table of government supporters.

However, the sole representative of the PAS replied that the party's decision not to compete was made not because it was afraid but because it was clever.

Mr Ghafar responded that Haji Abdullah's reply was like that of "a child who has not yet entered school."

Mr Ghafar added that although the UMNO faced problems, history has proved that the crisis faced by the party never harmed the government. "The government has never fallen when the UMNO faced a crisis, but the disarray in the PAS made the Terengganu and Kelantan governments fall," he said.

At that time, Mr Ghafar said, PAS leaders scrambled to become the deputy prime minister.

He advised the PAS "not to build a house on the coast if you are afraid of being hit by a hurricane."

As to the DAP [Democratic Action Party], Mr Ghafar wanted that party "to keep its mouth closed" and not reiterate old racial grievances if they wanted the integration of ethnic groups to proceed smoothly. At this time, Mr Lee Lam Thye (member of the DAP representing Bukit Bintang) rose and denied that the party was responsible for stirring up racist passions.

Mr Lee asked the deputy prime minister to give them until the next election to prove that the DAP could also obtain the support of the Malays. However, Mr Ghafar responded, "Why wait until the next election? We have held elections eight times, but the DAP still does not dare to run in a Malay area."

"I propose that the DAP and the PAS join together. Further, in Parliament they sit side by side," he said. After quarreling about it, he said, they could issue a white paper on religion, education, defense or anything that is required.

On hearing this, Haji Abdullah rose and said, "We are waiting for the BN to collapse. Only then will we do that."

The deputy prime minister responded that if the PAS and the DAP wanted to overthrow the Barisan Nasional, they had to compete in all the regions.

"However, when there is an election, the PAS will pile up the votes in the regions of Hulu [upper] Terengganu and Hulu Kelantan while DAP will do the same in the urban areas," he said.

6804/12232

UMNO Reorganization May Result in Election Changes for Youth, Women

*42130109a Kuala Lumpur BERITA HARIAN in Malay
29 Mar 88 p 1*

[Text] Kuala Lumpur, 28 March—Ghafar Baba, the acting deputy president of UMNO (new) [United Malay National Organization (reorganized)] said that there was a proposal that the offices of chairman of the UMNO Youth Movement and of UMNO Women should not be subject to election.

Ghafar, who is also deputy prime minister, said that this proposal will be discussed in the near future by the organizational committee of which he is chairman.

After opening a seminar in Kuala Lumpur on 28 March on the opportunities for technological development in small industry he said: "Certain persons have made this proposal to the committee for further discussion. Whether it is accepted or not will be up to the meeting of the Supreme Council of UMNO (new). The committee has also not yet decided whether the position of chairperson in UMNO sections should be filled by the Supreme Council of the party."

Asked whether the appointment of chairpersons of UMNO Youth and UMNO Women would be contrary to democratic practice, he asked in return: "Were the UMNO Youth and UMNO Women's organizations established by the government?"

Institutional Structure

He said that the institutional structure of UMNO (new) basically has not yet been determined. This matter is still under discussion by the Supreme Council.

He said: "The Supreme Council will meet soon to discuss a number of questions, including proposals for the appointment of the chairpersons of UMNO Youth and UMNO Women, as well as the chairpersons of UMNO sections."

On 27 March Megat Junid Megat Ayub, a member of the Supreme Council, said that the position of chairperson of UMNO sections and the positions of chairpersons of UMNO Youth and UMNO Women will not be subject to election. He said that the same is true of the positions of deputy and assistant chairpersons of these organizations, who will be appointed by the Supreme Council.

Megat Junid said that this change has been made to reduce "politicking" within the party which, at times, has had bad consequences for UMNO.

Meanwhile, Anwar Ibrahim, a member of the Temporary Supreme Council (Majlis Tertinggi Penaja) of UMNO (new), said that the functions and form of the UMNO Youth and UMNO Women's organizations of the party will not change.

Speaking to reporters in his office in Kuala Lumpur on 28 March after receiving a letter from the Nihon Dempa Kogyo Company offering to pay the expenses of two Malaysian students to continue their studies in Japan, he said: "In terms of present developments, the UMNO Youth and Women's organizations will not change very much. Even the names will be retained, and I hope that not too much will be made of this matter because the UMNO Supreme Council and the Supreme Assembly will make the final decision."

Proposal

Previously, several sources reportedly predicted that the two UMNO organizations would become party offices, and their leaders would be appointed and not elected.

Anwar Ibrahim, who is also minister of education, said that the Supreme Council has also approved several proposals regarding the organizational structure of UMNO (new), including suggestions for making changes in several party sections.

He said: "Up to the present, most of these proposals are the same as those provided for in the organizational structure of the old UMNO. However, there are some changes which are felt to be necessary, due to present developments and the current situation."

According to him, all proposals regarding the organizational structure of UMNO (new) will be reviewed by a special committee chaired by Ghafar Baba.

Anwar Ibrahim said that this committee will present the results of its study to the Supreme Council for further consideration.

05170

Strengthening Nation Seen as Main Objective of New UMNO

42130108a Kuala Lumpur UTUSAN MALAYSIA in Malay 21 Mar 88 p 1

[By Sidek Salleh]

[Text] Taiping, 20 Mar—Datuk Mohamed Rahmat, general secretary of UMNO (New), said the creation of interracial cooperation for making a unified Malaysian nation is one of the new party's seven main principles of action.

He again declared that efforts to bring the country into a magnificent era will still be successful if there is good and close cooperation between the races in Malaysia in all aspects of life.

Speaking at a meeting for declaration of loyalty to the leadership of Prime Minister Datuk Seri Dr Mahathir Mohamad, which was held last night at the Cangkat Jering Public School and attended by 2,000 residents of five villages in the Bukit Gantang parliamentary district, he said the party's struggle is the same as that of the old UMNO in spite of the word "new" in the name of the UMNO Party.

The other six principles and goals of the new party are:

- Protect the independence and sovereignty of Malaysia.
- Support the constitution of Malaysia and the constitutions of the states.
- Preserve, protect, and expand Islam as the country's official religion and respect the principle of freedom of religion.
- Practice the system of parliamentary democracy and maintain the sovereignty of the Malaysian monarchs as constitutional monarchs.

- Endeavor to lift the prestige and caliber of the country as a strong and unified nation by guaranteeing the status of the national language, Malay, as the single official language.

- Foster a national culture based on Malay culture and improve the economy of native Malays and the Malaysian people in general.

Datuk Mohamed said he enumerated these things because there are people who have asked about the principles of New UMNO.

At Johor Baharu this afternoon, Datuk Mohamed also stated that, based on what he called the "very astonishing" reception of the new party by Malays, he was confident that New UMNO will forge a "great and glorious era" like that of UMNO in the past.

He said a great many requests have come from all over the country for membership application forms, forcing printers to work day and night to meet the demand.

Datuk Mohamed was speaking at a meeting to celebrate the victory of the National Front candidate from the Tanjung Puteri District, Datuk Mohamed Yunos Sulaiman, in the recent election for the State Legislative Assembly. He said the Supreme Council of the party has received nominations for the founding liaison committees of five states, namely, Perlis, Kedah, Negeri Sembilan, Malacca, and Pahang Darulmakmur. The Supreme Council is still awaiting nominations from the other states and the Federal Territory.

Datuk Mohamed also asked party members at the branch level to be patient. The time has not yet come for formation of their organizations, since the organizational process at the division level is not yet complete. Guidance on that will be given.

He also urged cessation of talk questioning inclusion in the party, because "no one will be excluded from the opportunity to apply." Datuk Mohamed said people who apply for membership at this stage need only submit the form and fee and do not need to submit two photographs. Photographs may be submitted at an appropriate time in the near future when the Supreme Council issues membership cards, he said.

Datuk Mohamed also said the Supreme Council of New UMNO has directed its members to give information about the party throughout the country, beginning this week.

Meanwhile, Datuk Haji Mohamed Yunos characterized his win in the local election as an absolute victory for Malays and UMNO and added that the election also represented a test of the strength of Malay and UMNO unity.

He said all party members should now work hard to ensure that the victory will lead to even bigger victories in the future.

6942

Rafidah To Sign Sino-Malaysian Trade Pact
42130109c Kuala Lumpur UTUSAN MALAYSIA in
Malay 29 Mar 88 p 15

[Text] Kuala Lumpur, 28 March—Malaysia will sign a new trade agreement with the People's Republic of China on 1 April which, among other things, is aimed at strengthening direct trade with that country.

Minister of Trade and Industry Rafidah Aziz said that she will sign this agreement in Beijing for Malaysia, while China will be represented by Minister of Foreign Economic Relations and Trade Zheng Tuobin.

Speaking to reporters after opening the 1988-89 meeting of the Council of Advisers for the Protection of Domestic Consumers [Majlis Penasihat Perlingungan Pengguna Kebangsaan 1988-89], she added that, in addition to signing the agreement, she will also call on Chinese Deputy Prime Minister Li Peng, in addition to having a conversation with the minister of light industry of that country.

She said that, after visiting China, she will leave for Tokyo on 4 April to hold conversations with potential investors at a seminar.

In addition, she will also stop off in Kobe and Nagoya on 6 and 7 April before attending a round table meeting in Osaka on 9 April to speak to Japanese investors in Malaysia regarding the way in which they may further expand their investments in Malaysia.

Rafidah said that on 10 April she will leave for South Korea to sign an investment guarantee agreement.

She said that while she is in South Korea she will call on Rha Woong Bae, deputy prime minister of that country and will hold conversations with the ministers of trade and industry and of finance of the Republic of Korea.

An investment seminar will also be held in South Korea in connection with her visit to demonstrate the capital investment possibilities in Malaysia to potential investors of that country.

She said that on her way back to Malaysia she will stop off in Hong Kong to meet with officials of the Malaysian Industrial Development Authority (MIDA) to gain a better impression of the progress achieved in the effort to encourage businessmen from that country to invest capital in Malaysia.

05170

Thai Trade Ties To Be Reviewed

42130100a Kuala Lumpur *BERITA HARIAN* in Malay
28 Feb 88 p 1

[Text] Kuala Lumpur, Saturday, 27 February—The prime minister said Malaysia will review its relations with Thailand, especially its economic relations, to make certain that they really benefit both sides.

Datuk Seri Dr Mahathir Mohamad said Malaysia was going to do this because Thailand was very advanced and was developing rapidly. Many aspects of Malaysia's economic relations with that country, therefore, were no longer feasible and should be reviewed.

"Because of the rapid progress made by Thailand, a number of economic policies in effect perhaps no longer offer us any advantages.

"These must be reviewed, and I shall discuss them with the cabinet members to obtain further information on this matter," he told newsmen on his return from a visit to Thailand and Burma today.

Datuk Seri Dr Mahathir said that on the whole his visit to these two countries, although very brief, was successful and had a positive effect on the countries concerned.

Satisfied With Efforts Made

Concerning the drug problem, the prime minister, who also is the chairman of the International Conference on Drug Abuse and Distribution, said he was satisfied with the efforts being made by those two countries to resolve their drug problems.

He said information being distributed on the planting and distribution of drugs in Thailand was incorrect because it seemed to indicate that the country's government was encouraging such activities.

6804/12232

Malaysia Becoming Investment Center for Korea

42130102a Kuala Lumpur *UTUSAN MALAYSIA* in Malay 8 Mar 88 p 23

[Excerpt] Kuala Lumpur, 7 March—South Korea has identified Malaysia as one of the most important investment centers and source of raw materials in Southeast Asia. Mr O Sang-sik, first secretary of the South Korean Embassy here, said this was due to its liberal financial policy and the stable socio-political and economic climate.

He informed BERNAMA's Economic Service that South Korea needed a reliable source of raw materials such as petroleum, timber, tin, and native rubber.

"South Korea also plans to import much more petroleum from Malaysia and its ASEAN partners because West Asian countries are facing prolonged warfare. This has affected fuel supplies to Korea," he said.

He also said Malaysia had many native fruits and vegetables, most of which would be found delectable on the market that is developing in Korea.

6804/9738

Iran Agrees To Buy Malaysian Palm Oil

42130102b Kuala Lumpur *BERITA HARIAN* in Malay
9 Mar 88 p 10

[Text] Kuala Lumpur, Tuesday [8 March]—Iran has agreed to consider favorably Malaysia's request that it allow palm oil to be imported.

The agreement was achieved through discussions held between Datuk Paduka Daim Zianuddin, Malaysia's minister of finance, and ministers and senior officials of the Iranian Government last week.

Datuk Paduka Daim visited Iran from 1 to 5 March at the invitation of Mr Iravani, Iranian minister of economic affairs and finance.

A statement issued today by the Ministry of Finance said that under Iran's current regulations, palm oil is classified as unsuitable for human consumption.

It said that there were two major issues in trade with Iran: the request that letters of credit be endorsed by Malaysian exporters, and the ban on palm oil imports.

The two issues were discussed extensively in Datuk Paduka Daim in meetings with Iranian ministers.

During the visit, Datuk Paduka Daim held discussions with Mr Hosein Mousavi-Khamenei, prime minister of Iran; Mr Iravani; the ministers of commerce and petroleum; and the governor of the Bank of Iran.

The Malaysian delegation consisted of officials of the National Bank and Petronas [national oil company].

According to the statement issued, a joint economic committee will be formed to facilitate trade and economic relations between the two countries. The two countries also agreed that trade should be encouraged.

It said that a banking agreement entered into by the Iranian Central Bank and the National Bank to facilitate trade was expected to be signed within 2 months.

The statement added that Malaysia was also considering the purchase of commodities such as oil, fruits, rugs, dates and other Iranian exports.

6804/9738

Shell Official Announces 5-Year Investment Program

42130100b Kuala Lumpur UTUSAN MALAYSIA in Malay 3 Mar 88 p 16

[Text] Kuala Lumpur, 2 March—Sarawak Shell Berhad and Sabah Shell Petroleum Company (SSB/SSPC) plan to spend at least \$6 billion [Malaysian dollars] in the next 5 years, Chris Knight, the executive director, said today.

Most of the money, he said, will be spent in this country.

He also reported that the capital and operational expenditures budget of \$1.1 billion for this year, about \$300 million will be allocated to engineering-oriented activities.

He announced this information in a meeting at which a contract agreement valued at \$30 million was signed with Sime Sembawang Engineering Sendirian Berhad (SSE) in the Shell Building here today.

The contract covers the installation of platforms offshore Labuan (St Joseph contract area) and offshore Bintulu (Bayan contract area).

Chris Knight, the SSB/SSPC executive director, signed the agreement for his companies while the SSE was represented by Tunku Datuk Sri Ahmad Yahaya, its executive chairman. The installation of these facilities is planned to be completed by the end of this year or at the latest next year.

SSB/SSPC plans to install eight oil platforms this year. This company, which is a production-sharing contractor (PSC) of Petronas [National Petroleum Company] plans to invest about \$200 million in engineering-allied activities in the same period. Mr Knight said Shell had offered SSE a contract valued at about \$80 million.

According to Mr Knight, the contract agreement signed today is proof of his companies' policy to "Buy Malaysian Goods" as well as their commitment to support the technical development of this country.

Since 1984, he added, Shell has tied installation agreements, valued at about \$200 million, to the construction of harbor facilities in this country. He said about 85 percent of Shell's funds for goods and services are spent with Malaysian companies.

Although the price of crude oil is still uncertain, Mr Knight said his side plans to maintain a high rate of activity here this year as well as in the future.

"We plan to drill more than 40 exploratory and test wells in the next 5 years. This clearly demonstrates our long-term commitment to continued operation in Malaysia," Mr Knight said. SSE is a joint venture between Sime

Darby Berhad and Sembawang Engineering (Pte) Ltd. It was formed in September 1983 with subscribed capital of \$50 million and paid-in capital of \$40 million.

6804/12232

PM Remarks On Increased Trade Cooperation With Denmark

42130101b Kuala Lumpur UTUSAN MALAYSIA in Malay 18 Mar 88 p 7

[Text] Kuala Lumpur, 17 March—Malaysia expects to be able to take advantage of the Danish market potential and make Denmark the primary distribution center for Malaysian exports to Nordic nations, Prime Minister Datuk Sri Dr Mahathir Mohamad said.

He felt efforts being made toward achieving this objective were a positive step toward increasing total trade between the two countries.

The prime minister made these comments at a dinner meeting honoring Mr Paul Schluter, his Danish counterpart, at the prime minister's official residence, Sri Perdana, here this evening.

The prime minister said he was prepared to hear Mr Schluter's views on international and Malaysian-Danish issues that could increase cooperation and understanding between the two countries.

He felt a visit such as this offered a good opportunity to evaluate progress made toward strengthening Malaysian-Danish relations at this time.

For the past several years, low prices have been recorded for this country's commodities. The low prices were one of the factors responsible for the drop in value of Malaysian exports to Denmark, he said.

Datuk Sri Dr Mahathir said Malaysia hoped to be able to resolve the problem of a deficit trade balance with Denmark and to arrive at more balanced trade with that country.

Although Malaysia has offered various incentives, Danish investment in this country has not yet grown to a point that reflects its true investment potential, the prime minister explained.

"Malaysia would like to see this change and would like Danish entrepreneurs to increase their participation and investment here," he said.

Datuk Sri Dr Mahathir said Malaysia appreciated Denmark's opposition to the European Economic Community's (EEC) proposal to levy duties on vegetable oil and fat from Malaysia.

6804/12232

Further Economic Ties Sought With Saudi Arabia, Oman
42000318 Kuala Lumpur BUSINESS TIMES in English 8 Apr 88 p 16

[Article by Khalid Jaafar: "KL Seeks Further Ties With Riyadh, Muscat"]

[Text] Malaysia wants to step up economic cooperation especially in trade and investment with Saudi Arabia and the Sultanate of Oman, Foreign Minister Datuk Abu Hassan Omar said.

This was among the major issues discussed during his three-day visit to the two kingdoms earlier this month.

Datuk Abu Hassan said trade between Malaysia and the two Gulf states has been increasing over the years and urged businessmen to take advantage of the country's good relations with its trade partners.

In 1986 the volume of trade with Saudi Arabia totalled \$267 million and with Oman \$130 million. Malaysia is also wooing industrialists from the Gulf states to invest in Malaysia.

Speaking at a news conference yesterday, the minister urged Malaysian traders to visit the Gulf states to have a better knowledge of their markets and their requirements.

During his visit to Saudi Arabia and the Sultanate of Oman Datuk Abu Hassan also urged industrialists there to visit Malaysia to get to know their partners and understand business operations in the country.

Since the seminar on Arab-Malaysia investment last year, more industrialists from West Asia are interested in conducting business with Malaysia, including investing in the country.

Meanwhile, during talks with Mr Jean Pierre Hocke, the United Nations High Commissioner for Refugees (UNHCR), Datuk Abu Hassan proposed the holding of a conference on Vietnamese refugees, involving Vietnam and countries of first and third asylums, within a year.

Datuk Abu Hassan said the conference must draw up a long-term plan to solve the Vietnamese refugee problem which has become a burden to all the recipient countries.

Mr Hocke agreed in principle to the idea. A similar conference called the UN Conference on Indochinese refugees was held in Geneva 10 years ago.

Datuk Abu Hassan said it was "about time" that the UNHCR held such a conference as Malaysia could not undertake the task of receiving the Vietnamese refugees forever.

As at the end of last month, there were 10,504 Vietnamese "boat people" in Malaysia, including 8,104 on Pulau Bidong, an island which the Terengganu Government wants back.

So far this year alone, 8,382 Vietnamese have landed in Malaysia and 8,196 have been resettled in third countries.

Datuk Abu Hassan said Vietnam must be pressured to take steps to reduce the outflow of its people to other shores, a role not only for Malaysia and other Asean countries to undertake but also for the UNHCR and other third countries.

He urged the UNHCR to particularly press Vietnam to speed up the process of issuing permits to Vietnamese wanting to leave the country under the Orderly Departure Programme (ODP).

Third countries were willing to accept the Vietnamese under the ODP but the problem was that Vietnam took a long time to process the applications, he added.

/09599

Police Capture Malay Communist Party Leader
42130100c Kuala Lumpur UTUSAN MALAYSIA in Malay 4 Mar 88 p 1

[Text] Alor Setar, 3 March—On Tuesday [2 March], a top leader of the Parti Komunis Malaya (PKM) [Malayan Communist Party] and his followers were captured by police troops in Kuala Kubu Bharu, Selangor, Datuk Megat Junid Megat Ayob, deputy minister for home affairs, announced today. The communist leader, who was actively engaged in the party, and a member of the PKM Central Operating Committee, was captured along with several of his followers. It is believed that full details of this successful operation will be announced by Katuk Sri Dr Mahathir Mohamad, the prime minister, acting as the minister for home affairs, soon. Speaking to reporters after attending the inauguration of a northern zone drug awareness course at the State Wisma Auditorium here, the deputy minister for home affairs congratulated the police troops, particularly the special branch, for the successful operation. According to the deputy minister, he was informed of the capture by the prime minister after the weekly meeting of the cabinet last night and had not yet received a full report on the latest operation. In his speech, Datuk Megat Junid reported that most of the members of the Parti Komunis Malaya had fled to the border, and the remainder were captured in the operation carried out by the security troops. According to the minister, there are fewer than 52 terrorists in the state.

Responding to a question, Datuk Megat explained that prior to the capture, members of the PKM had infiltrated upper-class groups and organizations, including those that stirred up racial issues in the multiracial society of this country.

Nevertheless, he said, the government did have an effect on their activities. He added that the situation had calmed down and was restored to what it had been prior to the combined arrest operation launched by the government last October.

However, the deputy minister for home affairs explained, the government kept watch over the tactics used by the terrorists from time to time.

Asked about cooperation with Thai authorities to wipe out the communists achieved after the prime minister's delegation visited Thailand recently, he said Thailand was prepared to cooperate to wipe out the remainder of the communists on the border either by getting them to surrender or by forcing them to confront the Thai troops.

Datuk Megat Junid explained that Thai authorities and the Malaysian Government differed in the way they got the communists to "surrender." According to the minister, any member of the PKM, including Shamsiah Pakeh, the chairman of the women's PKM, who returned to Malaysia or surrendered would be imprisoned in Kemunting for rehabilitation until his consciousness was raised. He then could return to society.

6804/12232

Joint Air Exercise Results in Bombing Attack on Communist Sites

42130101c Kuala Lumpur UTUSAN MALAYSIA in Malay 18 Mar 88 p 8

[By Aziz Ishak]

[Text] Haadyai, 17 March—Fighter aircraft of the Royal Malaysian Air Force (TUDM) and the Royal Thailand Air Force (RTAF) bombed four major communist terrorist sites on the Malaysian-Thai border several days ago.

The 2-day bomb attack was like a "two-pronged spear" in the TUDM and the RTAF Air Thamal VII [seventh Thai-Malaysian air exercise] joint air exercise which ended today. In a joint news conference at the meeting closing this exercise here this afternoon, Brig Gen Huang Chew Siong, director of the Air Thamal VII Exercise, and Group Captain Anek Phuasuwan of the RTAF reported, "We are analyzing that live bomb attack, and results of the analysis will be made known in 2 days."

According to Brigadier General Huang, the four target sites bombed were "nests" of communist terrorists including members of the Parti Komunis Malaya (PKM)

[Malayan Communist Party] as determined from Malaysian and Thai Army joint intelligence information. "The TUDM bombed two sites, and the RTAF bombed two sites. What makes us proud is that the RTAF made direct hits on the targets as we desired," he said. Brigadier General Huang added that the TUDM and the RTAF were awaiting the results of the follow-up examination and analysis by the armies of the two countries of the areas bombed.

"So, we do not yet know whether any terrorists were killed or what was damaged nor do we have any other information on the bombing operation which was the high point of the exercise this time," he explained. Regarding the achievements of this exercise, he said the TUDM and the RTAF were satisfied that there was a better grasp of the joint operation this year than there was last year.

"The TUDM and the RTAF have improved, including in various aspects of operational procedures. This has helped us and the RTAF to be more efficient and mature in facing a threat," he said. Earlier, Lt Gen Datuk Sri Mohd. Ngah Said, commander of the Air Force, and Voranat Aphicari, supreme commander of the RTAF, officiated at the closing ceremony for the Air Thamal VII exercise which began on 7 March.

6804/12232

Defense Minister Discusses Purchase of Fighter Aircraft

42130114b Kuala Lumpur UTUSAN MALAYSIA in Malay 5 Apr 88 p 2

[Text] Kuala Lumpur, 4 April—Minister of Defense Ahmad Rithauddeen stated that Malaysia will make "its own" choice in the purchase of the most modern fighter aircraft, considering the fact that there are many choices available at this time.

He said that a number of types of fighter aircraft on the market have their own, respective features, and Malaysia will choose the aircraft which is felt to be the most suitable for it.

He told reporters when he visited the Royal Malaysian Air Force Station at Sungai Besi in Kuala Lumpur on 4 April: "We have many choices among the available aircraft. It is a matter of how we select it, in terms of how suitable it is."

Ahmad Rithauddeen said that the choice should not fall on just one type of aircraft, because there are several aircraft on the market now, such as the F-18, the F-16, the Tornado, and the Mirage 2000. It should be mentioned that Singapore, Thailand, and Indonesia have bought the F-16, made in the United States.

He said: "We have plans not only to buy a more sophisticated fighter aircraft but also other equipment felt to be necessary to increase our national defense capability."

However, when asked, he did not announce when and what kind of aircraft are definitely scheduled to be purchased for the use of the Royal Malaysian Air Force (TUDM).

Ahmad Rithauddeen repeated that the Royal Malaysian Air Force has its own resources and is capable of facing a hostile threat from the air, although it does not have the newest type of fighter aircraft.

The minister of defense added that he was impressed with the capabilities of the Air Command Headquarters [Markas Pemerintahan Udara] of the Royal Malaysian Air Force as an organization fully responsible for national security in the air.

He declared: "I have obtained a clear picture regarding national and regional air defense security and developments. We are keeping up with all developments."

On his first visit to the air force station since becoming minister of defense he was accompanied by Nasaruddin Bahari, secretary of the Ministry of Defense.

On his arrival at the air force station he was met by Maj Gen Shaharuddin Ali, Royal Malaysian Air Force and commander of the Air Force; Brig Gen Yunus Tasi, Royal Malaysian Air Force and commander of the Air Defense Command; and Brig Gen Abdul Ghani Abdul Aziz, Royal Malaysian Air Force and commander of Air Force Headquarters; and other officers.

05170

Naval Air Branch To Become Operational
42130114c Kuala Lumpur UTUSAN MALAYSIA in Malay 5 Apr 88 p 2

[Text] Kuala Lumpur, 4 April—The air branch of the Royal Malaysian Navy (TLDM) will become fully operational when six helicopters purchased by the Ministry of Defense from the United Kingdom arrive in Malaysia in June 1988.

Minister of Defense Ahmad Rithauddeen announced that the six "Wasp" helicopters will play an important role in extensively patrolling the maritime zone of national territorial waters.

Speaking to reporters when he visited the Royal Malaysian Air Force station at Sungai Besi in Kuala Lumpur on 4 April, he said that it was hoped that the activation of this branch of the Navy will further improve national defense capabilities.

It should be mentioned that the six helicopters, manufactured by Westland, Ltd., should have been turned over to Malaysia in February or March 1988, as was stated by Deputy Minister of Defense Abang Abu Bakar Mustapha.

Following a proposal for the establishment of an air branch of the Navy, the Royal Malaysian Navy trained a group of its officers to become helicopter pilots in 1986. At present they are undergoing familiarization training.

The air branch of the Navy will be based at the Darul Ridzuan base of the Royal Malaysian Navy in Lumut, Perak. All of the helicopters will be capable of operating from frigates or corvettes.

05170

Agriculture Minister Warns of Weapons Smuggling in Fish Containers

42130114a Kuala Lumpur BERITA HARIAN in Malay 5 Apr 88 p 1

[By S. Sivaraman]

[Text] Kuala Lumpur, 4 April—Minister of Agriculture Sanusi Junid has ordered that every fish container entering Malaysia from Thailand be inspected to make sure that weapons are not being smuggled through in this way.

This order is effective immediately. Previously, only about 1 percent of the containers in question were inspected on a random basis.

Sanusi said: "We know that the inspection of every fish container, whether made of wood or plastic, will cost a great deal and will take time. However, the government has no choice, because the question of national security is of the greatest importance."

Sanusi, who was interviewed at his home in Kuala Lumpur on 3 April, said that the unwillingness of certain groups in Thailand to approve of exporters from that country using plastic containers raised concern among Malaysian authorities regarding weapons smuggling.

He said: "We suspected something, because there are groups in Thailand who really oppose the use of plastic containers, although exporters in that country have agreed to use them."

The regulation requiring every Thai exporter to use plastic containers to bring fish products into Malaysia was introduced on 1 April.

Although the entry into effect of the regulation was postponed for Thai fish exporters, they were encouraged to use plastic containers to bring fish into Malaysia in accordance with Regulation 16 under the Fish Marketing Regulations of 1973.

Sanusi said that the government only agreed to postpone the application of the regulation but not the nullification of the regulation requiring the use of plastic containers to replace those made of wood.

He stated: "Although the application of the regulation was postponed, this does not mean that we cannot introduce the use of plastic containers, beginning right now."

Sanusi also regretted the fact that many of the Thai fishing authorities oppose this system.

He said: "When Singapore decided not to accept vegetables from Malaysia because of excessive pesticide residue, we respected their decision and enacted a law to resolve this problem. In the same way, when we enact a regulation on fish brought into Malaysia, it is only proper that the Thai authorities should respect it."

He also asked the Thai authorities not to place obstacles in the way of Thai fish exporters who wish to use plastic containers.

He said that the government might apply a quota on importers and increase the import duty if the Thai authorities continue to oppose the system.

He said: "Although the Thai private sector agreed to use plastic fish containers in a meeting with Deputy Minister of Agriculture Alex Lee, we know that there are Thai authorities who are deliberately trying to make sure that this system fails."

05170

Editorial Welcomes PM's Assurances to Chinese Businessmen

42050018b Kuala Lumpur NANYANG SIANG PAU in Chinese 12 Mar 88 p 2

[Editorial: "Prime Minister's Guarantee to Chinese Businessmen"]

[Text] Speaking at a banquet of the All-Malaysia Federation of Chinese Chambers of Commerce the night before last, Prime Minister Datuk Sri Dr Mahathir assured the audience that the government's policies and the working fund it sets up are not meant for indigenous businessmen alone and that their Chinese counterparts will also receive the same treatment. While indicating his appreciation of capital turnover difficulties being faced by Chinese businessmen, the prime minister also suggested that they submit memoranda to the government, so that their difficulties can be jointly discussed and ironed out by representatives of commercial banks and the chambers of commerce federation at a meeting to be convened by the State Bank [Bank Negara]. Dr Mahathir added that he would gladly attend such a meeting and act as arbitrator.

The prime minister's talk is worthy of our welcome, and it will no doubt buoy up the spirit of business firms which are in financial trouble. The All-Malaysia Federation of Chinese Chambers of Commerce should grasp this opportunity and submit a memorandum to the prime minister toward a speedy convening of the joint conference. As a matter of fact, in making the above-mentioned proposal, the prime minister was rallying around an appeal made by Tan Sri Wee Boon Ping, the president of the Chinese federation, an indication of his open-mindedness toward public opinion. Mr Wee has more than once offered advice to the government and lodged appeals in behalf of the federation members and the Chinese industrial circles as a whole. He pointed out that apart from bumiputra business firms, Chinese merchants are also faced with capital turnover difficulties, so the government's working fund should be expanded in order that nonbumiputras may also benefit from it.

The economic recession of the past few years has led to the stagnancy of economic activities in general. Entrepreneurs who were in dire need of bank loans to maintain their investments and enterprises had to pay considerably heavy interest; when their business volume and profit dropped, they were faced with the difficulties of capital turnover and due payments of loan and interest. Unfortunately, the way some banks do business is that "when the sun is shining bright, they lend you an umbrella, but when a rainstorm suddenly approaches, they want the umbrella back," sometimes even by high pressure, thereby compelling those firms unable to raise a sum to fold up. In fact, quite a good number of firms have a sound investment or can carry on with their business, even though they are face to face with some financial difficulties. If only they are granted temporary injunction, for instance by extending them some operating capital, or grace for repayment of debts, they will be able to survive their difficulties.

The government being aware of this fact, in July last year the prime minister himself chaired a meeting between Malay businessmen and banking circles, and accepted the Malay Chamber of Commerce's proposal for setting up a working fund to aid financially troubled bumiputra companies. The meeting also considered another proposal requesting banks to delay the repayment of bank credits by 2 years. According to reports, the governmental working fund amounted to M\$500 million, and this amount can be increased if the scope of the financial aid is widened to encompass nonbumiputra business firms.

Details of the utilization and operation of this working fund have not been proclaimed up till now, but it is evident that if Chinese businessmen are permitted to take part, its tasks and functions will have to be reformulated. That's why the All-Malaysia Federation of Chinese Chambers of Commerce needs to present a memorandum and lay bare its views on how to implement the program in a perfect manner. At any rate, the most basic problem involves the attitude of the banks and their business philosophy, as the fate of many

enterprises lies in the hands of these banks. If the banks adopt a positive attitude by really helping out debtor companies in serious financial trouble in one way or another, the latter will be able to overcome their difficulties. For it is the general request of these firms that the banks come to their rescue in times of financial distress, by restructuring their bank loans.

Even financially strong enterprises often complain that bank interest rates are still high. Although the State Bank has several times lowered its prime rate to 7 percent, yet several banks have not coordinated themselves with the requirements of the national condition to help commercial circles overcome the capital turnover difficulties. We think that the State Bank should look at this problem squarely to enable all banks to lower their interest rates down to a reasonable level for the benefit of commercial and industrial investments throughout the land.

It is common knowledge that banking circles and business circles are in the same boat who should have the spirit of helping each other and who should avoid the shortsighted way of doing things—"wanting the umbrella back during rainy days." Bankruptcy of industrial circles is not only disadvantageous to banking future, but also produces many social problems and hinders the economic growth of the nation. We must squarely tackle the difficult problem of capital turnover being faced by industrial circles and restore their vigor, and only then can we talk about how to attract foreign and domestic investment to revive our national economy, otherwise all effort would be meaningless.

9300/12913

Universities Urged To Study Cause of Racial Polarization

42050018a Kuala Lumpur NANYANG SIANG PAU in Chinese 10 Mar 88 p 5

[Excerpts] Prof Ting Chew Peh, MP (Gopeng constituency), proposed that an ad hoc committee be formed in each of the universities throughout the land to help investigate and analyze objectively the causes that touch off racial polarization.

In grateful response to the King's administrative address before Parliament yesterday, Prof Ting proposed during the debate that the ad hoc committee's membership be made up of public figures with ability and insight who enjoy high prestige and command universal respect, and who represent various communities.

During the parliamentary debate, he pointed out that the phenomenon of racial polarization in the universities makes one worry.

He said: "University students are senior intellectual elements and they are the future leaders of our nation. If they cannot get rid of their mutual distrust and the shackles of racism, how can I expect them to lead our country?"

He also pointed out another danger arising out of the racial polarization among university students. He said that if these students harbor chauvinistic ideas on campus, it is quite possible that after their graduation, they will carry their blind fanatical patriotism to their work places, especially when they hold important positions in government, which would affect the formulation of policies and the implementation of government administration and, in time, the entire society would be filled with racial sentiments.

He said that racial polarization within our institutions of higher learning is old news. According to the conclusions made by two social and scientific research institutes, racial harmony among university students has gone from bad to worse during the past 10 years.

Prof Ting believes that student affairs bureaus in various universities should adopt stringent actions in dealing with extremist and fanatic students who hurt the feelings of schoolmates of other nationalities.

9300/12913

Chinese Associations Call for Release of Chinese Leaders

42050018c Kuala Lumpur NANYANG SIANG PAU in Chinese 13 Mar 88 p 3

[Excerpts] Twenty-four Chinese associations nationwide have submitted a memorandum to Prime Minister Datuk Sri Dr Mahathir, requesting the release of four Chinese civic leaders who are being detained under the Internal Security Act [ISA].

They are Lim Fong Seng, president of the Federation of school Trustees; Sim Mou Yu, president of the Federation of School Teachers; Tuang Pik King, vice president of the Federation of School Teachers; and Kwa Sia Soong, director of the Chinese Community Resources Research center.

They have been in detention since October last year under the ISA.

This memorandum was presented to the prime minister on the 9 March. It said that the Ministry of Home Affairs arrested the personages for carrying out activities which incited racist feelings among various nationalities or rousing Chinese national sentiments.

The memorandum also made point-by-point clarifications about the charges against the four persons, including the problem of multi-faceted cultures, the Universities and Colleges Act, national education policy,

Education Act, the problem of recognition of diplomas issued by the independent middle school examination board, the concern over the children's education movement, the development of first languages, opinions on the basic rights and interests of ethnic Chinese, University of Malaysia's elective Chinese courses, mass prayer readings by students in Malacca, the billboard incident during the Seafood Festival in Johore Bharu, the New Economic Policy, established of an independent university, the quota system in universities and the statement of Chinese associations.

The memorandum pointed out that the four ethnic-Chinese leaders were merely expressing their views on different occasions from the angle of democratic basic rights, discussing the predicament facing non-Malays in our country and reflecting the aspirations of Chinese society and other communities.

These leaders believe that they were discussing our country's social, political, economic, cultural and educational problems from different angles and standing on an unofficial platform.

9300/12913

Editorial Views Societies Act Amendment Bill
42050018d Kuala Lumpur *NANYANG SIANG PAU* in
Chinese 17 Mar 88 p 2

[Editorial: "Societies Act is Put Forward for Amendment"]

[Text] The 1966 Societies Act amendment bill, which is attracting the keen attention of the whole nation, has passed the first reading in Parliament. It is expected that it will breeze through its third reading during this parliamentary session.

The Societies Act was brought up for amendment mainly because of problems arising out of the recent "party coup" of the United Malays National Organization [UMNO], which led to certain judiciary quarrels and necessitated more clearcut legal provisions. This amendment would make the control of the organization and operation of political parties more effective and put an end to possible recurrences of similar political repercussions as felt during and after the UMNO incident. The existing Societies Act, which has been operative for 20 years, contains provisions which are no longer appropriate to the needs of the times and environment. There is no doubt that an amendment is necessary in order to plug up several deficiencies and loopholes.

Last month the UMNO, which is the main pillar of the government, prompted by the problem concerning the unlawful existence of some of its branches, decided to make a slight move which affected the situation as a whole. As the result of a law suit, the UMNO had been declared an unlawful organization by the High Court, a judgment which dealt an unprecedentedly heavy blow to

the political and social strata throughout the country. Thanks to his political astuteness and to the trust and support he receives from the entire people, the prime minister managed to defuse the crisis, and the establishment of a new UMNO brought forth "UMNO's" rebirth. However, as the repercussions from the UMNO dispute kept rolling on, the leadership of the New UMNO was still faced with the judicial dispute which required a rearrangement of things. Only through an amendment of the Societies Act can these administrative and technical problems be solved appropriately.

The amendment bill of the existing Societies Act involves many clauses, including amending Article 12, Section 3 which shall make a mass organization still lawful, even though some of its branches were founded without prior approval by the registrar of the Societies Act; Article 17, which, after some additions, shall make it permissible for the assets and liabilities of an old organization to be transferred to a new organization with similar statutes and bylaws as the old one. The amendment bill also will have control over the officers and their activities of an old organization whose registration has been revoked. In the provisions concerned, it stipulates that any officer of an invalidated old organization shall not hold any position in other bodies before obtaining the approval of the registrar of the Societies Act. And any person (no matter his or her professional qualifications) shall also be regarded as violating the law, if he or she should aid or represent any unlawful organization or take part in policy activities of the said organization. The amendment bill also makes a readjustment to the authority, responsibility and function of the Societies Act registrar.

It is generally believed that the rules of the existing law governing the illegal activities of a party branch, which adversely affect the lawful position of the party headquarters, are much too strict. For a huge political party organization, it is administratively not easy to superintend whether all its branches have been registered or not, nor is it easy to control them, particularly during an intense electioneering situation, when one or two newly established but not yet registered branches often send delegates to attend the party's convention.

One of the problems the New UMNO leadership must find ways to solve is the transfer of assets, because "UMNO," this mammoth political organization, besides owning the headquarters building and assets of its party branches, indirectly controls numerous commercial enterprises. When the UMNO was adjudged illegal, its huge assets and liabilities, as well as their control and arrangements, became a problem. Several old UMNO members who opposed the ruling faction formally tried to block—through legal channels—the New UMNO from being formed and from taking over the old UMNO's huge commercial empire. Under such a situation, the amendment bill will guarantee the smooth transfer of UMNO's assets and liabilities without going through time-consuming and lengthy legal procedures.

One of the amended provisions forbids any person (including professionally qualified people) to aid or represent an illegal mass organization or to take part in its major activities. This stipulation seems not clearcut enough and it looks rather grim. It is necessary for the authorities to clarify this point when the bill is presented for its second reading.

The current development of the putsch within the UMNO is a reflection of imperfections of the existing Societies Act. The aim of the authorities for amending the law is admittedly to guarantee the smooth operations of the reborn New UMNO on the basis of the law and, as a loophole-plugging and remedial measure, it is a concrete and pertinent way of doing things indeed.

9300/12913

Founding Official Clarifies Sections of UMNO (New) Constitution

42130108b Kuala Lumpur UTUSAN MALAYSIA in Malay 21 Mar 88 p 3

[Text] Pasir Puteh, 20 Mar—Tengku Ahmad Rithauddeen, a member of the Supreme Founding Committee of UMNO (New), denied that the new party's draft constitution makes Datuk Seri Dr Mahathir Mohamad president of the party for life.

He said New UMNO will continue to practice the normal democratic system, under which all positions can be contested, except that of chairman for youth and

women, which is to be made a bureau chairman position. However, the draft of the new party's constitution has yet to be approved in a general assembly.

He revealed this in response to charges by some people that the constitution of New UMNO makes the prime minister party president for life.

In a meeting with delegates after a reception here today with former UMNO branch chairmen of the Pasir Puteh Division at the area's legislative assembly hall, he said New UMNO will continue to practice the same democratic system used in the past in the old UMNO.

"There are merely a few changes in certain parts, but New UMNO will continue to practice a democratic system," he said.

Speaking at the reception, he called on all UMNO members not to hinder any former UMNO member from participating in New UMNO, in order that Malays and former UMNO members can be unified. He said also that there should be no accusations and slander among themselves, for such things could again be divisive.

"If mutual accusations still occur, divisions among UMNO party members and Malays cannot be blocked," he said.

6942

Finance Ministry Signs Loan Agreement
42070121b Bangkok NAEO NA in Thai
9 Feb 88 pp 7, 14

[Report: "Thailand Begins To Turn Away From World Bank and ADB Loans Because of High Interest Rate and Many Conditions; Cheaper To Borrow From Japan and Private Sector"]

[Text] Mr Aran Thammano, the director of the Fiscal Policy Office, revealed that the government is negotiating a new loan installment, or 14th yen loan, with the Overseas Economic Cooperation Fund (OECF). The loan will be for 80 billion yen, which is about the same as the 13th installment. The Ministry of Finance has asked the OECF to lower the interest rate on the loan from 3 percent to 2.5 percent.

The Ministry of Finance has informed the government units and state enterprises that want OECF loans for various projects to submit their project proposals for consideration through the Office of the Economic and Social Development Board. The proposals will then be submitted to the National Debt Policy Committee, which will consider the suitability of the projects. After that, the matter will be submitted to the cabinet.

It is thought that the OECF loan contract will be signed this September. For this loan, the ministry has set four criteria for the units and state enterprises:

1. The project must be one that supports development in specific areas, such as the eastern seaboard development project.
2. It must be an urgent project that the government feels is important.
3. In the case of state enterprise loans, the returns must be worth the risks.
4. Public units that want to borrow money must consider whether the financial returns will cover the investment costs.

The Ministry of Finance also asked the OECF to consider giving more support to Thai advisory engineering companies involved in OECF loan projects except in cases in which Thailand does not have the technological capabilities stipulated. And it asked that Thai construction companies be given a chance to participate in OECF loan projects or at least be Thai-Japanese joint investment companies.

For this 14th OECF loan, some of the conditions concerning making purchases, hiring advisors, and drawing money have been changed. The OECF held a seminar to explain the changes to the Thai units that have borrowed money. The ministry will consider the changes once more to ensure that they are suitable and that they will benefit Thailand.

This is the first time that criteria have been stipulated for the use of loan funds. These will be the criteria for all loan programs. When it comes time to actually borrow the money, it may not be necessary to borrow the full amount, that is, 80 billion yen.

Mr Aran said that even though the yen is a very strong currency, in view of the fact that this is a 30-year loan with a low rate of interest, Japan is still a very attractive source of loan funds for Thailand, which needs large sums of money for development. As for loans from other sources, such as the World Bank and Asian Development Bank, the principal is still high because of the higher interest rates. The Ministry of Finance is trying to persuade them to lower the interest rate, particularly on loans made in hard currencies.

Thailand has now reduced the amount of money borrowed from the World Bank and the Asian Development Bank. The 13 loans from the OECF total 675,084 million yen.

A report from the Ministry of Finance has informed NAEO NA that the process of signing foreign loan contracts for the state enterprises for fiscal 1988 has already begun. The Telephone Organization is using an OECF loan together with a baht loan. This is a major agreement that was reached by the government and the OECF last year. The Electricity Generating Authority of Thailand has borrowed money from the World Bank. The Metropolitan Water Works Authority has borrowed money from the Asian Development Bank.

Besides this, on 8 February, Mr Suthi Singsane, the minister of finance, signed loan contracts with more than 50 foreign private financial institutions for a total of \$300 million. This money will be used as revolving loans for the government and state enterprises. They can use this money in cases in which they cannot borrow money from other loan sources in time. There are various currencies in accord with the needs of the units in purchasing materials and equipment from abroad.

City Bank was the leader in signing this contract for \$300 million. There were 10 other principal banks, 12 contributory banks, and more than 20 participating banks. The 10 principal banks included the Chase Manhattan Bank, the Commercial Bank, the Deutsch Bank, the Societe General Bank, the Bank of Tokyo, the Mitsui Bank, the Industry Bank of Japan, the Sunwa Bank, and the Fuji Bank.

The interest rate on this loan is approximately 0.055 percent, which is higher than the interbank rate in London. There is also a loan guarantee fee of approximately 0.75 percent, which is lower than the general market rate.

Impact of Japanese Development Aid
42070121a Bangkok *KRUNGTHEP THURAKIT* in
Thai 15 Mar 88 p 7

[Excerpts] As of the beginning of 1988, over the course of many years Japan has provided a total of about 642,601 million yen, or approximately 122,094.19 million baht, in financial aid to Thailand. Thailand has used most of this money for development. Initially, emphasis was placed on making loans to develop basic public utilities necessary for the progress of the country.

The development of telecommunications and transportation accounted for most of the money, 44.1 percent. This was followed by the development of natural energy and energy sources, 20.8 percent; the development of agriculture and irrigation, 13.3 percent; the development of industry, 8.4 percent; and the provision of social services, 6.9 percent. Another 5.6 percent was loaned for development activities through the Bank for Agriculture and Agricultural Cooperatives [BAAC] and the Industrial Finance Corporation of Thailand (IFCT). The remaining 0.9 percent was used for various other things.

The Japanese aid to Thailand can be divided into three types: financial aid in O.D.A., or official development aid, grants, and aid in the form of technical cooperation. Most of this aid is channeled through the OECF [Overseas Economic Cooperation Fund] and Japan's Organization for International Cooperation, or "Jaika."

During the past years, 68.5 percent of all the aid that the Thai government has received from the developed countries has come from Japan. Thus, it is clear that Japan has played a major role both directly and indirectly in Thailand's development. This has included giving grants and making loans to the Thai government and the state enterprises, which are Japan's major debtors, to implement various projects. Many people view this aid and Japan's attempt to profit from Thailand with great suspicion.

At the beginning of March, the Japanese Embassy in Thailand took Jaika and OECF officials and members of the mass media to observe various projects, including the project to establish a labor skills development institution in Khon Kaen Province, small-scale irrigation projects, the basic public health training and development center project in the northeast, the agricultural development research center project in the northeast, and the village electricity development project of the Provincial Electricity Authority in Khon Kaen Province. All of these are projects for which the Japanese government has provided aid. Some of the projects have received grants, and others have received loans from the OECF.

From visiting these projects, it became evident that Thailand does not appreciate the value of this aid. This is clear from the fact that in many cases, when the aid money is exhausted, the projects encounter problems in

continuing operations. This includes problems concerning budget funds allotted by the government, personnel shortages, and a lack of attention from high-level policies. At the conference, when the officials in the field were asked whether the studies have achieved anything in view of the lack of interest shown by the central government, they remained silent.

The Northeastern Agricultural Development Center has done research on saline soil in the northeast and found that this problem is growing worse and worse. This is a major problem that must be solved as soon as possible. But senior echelons have given little attention to this problem, and the government has allotted little money for solving this problem.

The matter of the aid given to develop electricity in the villages clearly reflects the suspicions that people have about Japanese intentions. One reason is that one of the results of village electrification is that Japanese goods, including radios, televisions, irons, rice cookers, and refrigerators, sell better. But at the same time, farmers who once owned much land have gradually lost land. Some who once owned a little land now have no land at all. They have to work as laborers in the towns. This is the trend. The villagers themselves are becoming suspicious about the purchase of land by financiers. Once the villages have electricity and roads, financiers purchase land to build housing developments and speculate in land.

Another point worth noting is that instead of being used for production, which would increase the incomes of the farmers and improve their standard of living, most of the electricity that is introduced into the villages is used for lighting services and pleasure. Little is used in cottage industries.

Mr Surasak Nanthasiri, the Zone 1 director of the Region 2 Provincial Electricity Authority, admitted that much of the electricity, that is, about 70 percent, is used for services and lighting. Very little is used for commercial or industrial purposes.

[Interview with Dr Phichai Chansupharin, the head of the Japanese Studies Program, Thammasat University]

[Question] What do you think about the Japanese aid projects that you have observed?

[Answer] I think that these Japanese-aided projects are very beneficial. But I don't think that we are capable of deriving full benefit from these projects. We have not formulated good plans, and not enough money has been allotted. In particular, there is a lack of coordination.

Besides this, in some cases, they have provided things that we had not planned to receive. We lack plans detailing what our needs are. We have to know what our

needs are. We can talk with them. But some people don't think that we should ask for very much. But actually, they have already allotted funds for helping us.

[Question] How do you view Japanese aid?

[Answer] As for aid, regardless of whether it comes from the United States, Germany, or somewhere else, all these countries have political objectives in mind when they give aid. But they also want to achieve results in terms of international relations.

[Question] Including economic objectives?

[Answer] Yes. They use this as a tool in building security for their country. There are several tools, that is, military forces and aid. Japan, for example, emphasizes aid, because that benefits them. We have to admit this. International relations is a matter of interests.

As the recipient, we have our own interests. Sometimes there must be negotiations in order to match the interests of the various parties involved. We have to accept this. That is, we can't just take and give them nothing in return. They won't accept that. Before they aid us, they have to consider whether this will help them increase their security. If they don't, Thailand might turn communist. Or we might become upset at the way they are profiting from us. Our standpoint must be, How can we accept aid from them to benefit Thailand as much as possible?

11943

Chawalit Relationship With Souphanouvong Discussed

42070119b Bangkok LAK THAI in Thai
10 Mar 88 pp 16-18

[Article by Chawana Kunlapricha: "Prince Souphanouvong's Relationship with Big Chiu"]

[Excerpt] Thai Customs

A report stated that Gen Chawalit Yongchaiyut told people that he was visiting Laos as a friend from a fraternal country. He paid a visit on Prince Souphanouvong, an important Lao leader who holds the position of president of the Lao People's Assembly. During this visit, great respect was shown to the prince. Thai customs used in meeting with a senior member of the royal family or "lord" were used. Besides presenting a very appealing picture, this also helped win the hearts of the Lao people. As Gen Chawalit has said, "we do not covet anyone's land. But we do want their goodwill and friendship."

After the morning welcoming ceremony at the Wat Tai Airport in Vientiane City, huge black sedans pulled up to the steps of the aircraft to pick up Thailand's senior military officers and take them to the Lan Chang Hotel

for the second round of talks. That afternoon, after the meeting, they were allowed to rest awhile. After that, they had an important meeting, that is, it was time for their audience with Prince Souphanouvong at his residence on Phon Kheng Road. They arrived at 1640 hours, 10 minutes behind schedule. Gen Sisavat Keobounphan and Brigadier Gen Thonglai Kommasit, the deputy head of the Political Department, accompanied them. Officials at the residence of Prince Souphanouvong had made thorough preparations for the visit by Gen Chawalit Yongchaiyut and his party. When they arrived, they were greeted by Mom Viengkham, the wife of Prince Souphanouvong. She took them to the reception room, where Prince Souphanouvong, dressed in a gray suit, was waiting. He stood up and invited Gen Chawalit to sit down next to him on a large sofa. Gen Chawalit bowed in greeting to the prince before sitting down. Mom Viengkham sat on the other side of Gen Chawalit. Gen Sisavat Keobounphan sat in a chair next to Prince Souphanouvong.

Lao Cry

Gen Chawalit asked to present the members of his party to the prince. One by one, each of them, beginning with Gen Sunthon Khongsomphong, or Big George, came and bowed to the prince. All of these senior military officers showed great respect to Prince Souphanouvong, who is deeply loved by the Lao people. Gen Sisavat, who was sitting quietly nearby, looked very cheerful and pleased. Mom Viengkham was smiling, too, her eyes shining with affection. Prince Souphanouvong returned the greetings and said "it's a pleasure to meet you" to each of the guests. LAK THAI was present, too, and asked, Are these the people who are fighting each other? A Lao officer replied that "I don't want to think about that. Each side has made mistakes."

Nephew Pays Visit

After the Thai generals had greeted the prince, they sat down in the places arranged for them. Gen Chawalit Yongchaiyut, who sat in the middle between Prince Souphanouvong and Mom Viengkham, began talking with the prince, who sat smiling and nodding his head. At one point, he put his hand on Gen Chawalit's knee and squeezed it firmly. When Gen Chawalit raised his hands to show respect again, Mom Viengkham said, "it's nice that you have come to visit us." She added that, "it's nice that Gen Chawalit has come to visit us in friendship." Prince Souphanouvong nodded but did not say anything. Gen Chawalit, who sat with his hands folded, asked the prince, How old are you now? Mom Viengkham said that the "prince is 78 years old." Gen Sisavat, who was sitting at the other end, said "79." During the discussion on the prince's age, Gen Chawalit bent toward Gen Sisavat and said, "79 this year." Gen Sisavat nodded in agreement while Mom Viengkham repeated, "78."

Once again, Gen Chawalit raised his hands as a sign of respect, turning first to Prince Souphanouvong and then to Mom Viengkham. He said, "On 23 April, I would like to invite both of you to attend the funeral of Mom...." Before he could conclude, Mom Viengkham said, "Mom Aphinphon."

Gen Chawalit said, "About Mom Aphinphon, will you be able to attend?"

Mom Viengkham replied, "We will have to ask the doctor first." Gen Chawalit raised his hands in respect once again and said, "I hope that you can attend." Mom Viengkham replied, "Thank you very much." Gen Chawalit continued, saying, "I am very happy. I didn't think that I would have a chance to come pay my respects to you this time." Prince Souphanouvong replied, "I'm very pleased that you came." Gen Sisavat then said, "I would like to welcome you, too."

Relatives Who Are Acquainted

LAK THAI asked a person at the residence of Prince Souphanouvong about the relationship between Mom Aphinphon Phetcharat Rattanaovongsa, the wife of Prince Phetcharat, the elder brother of Prince Souphanouvong, and Prince Souphanouvong. He said that on the morning that it was learned that Gen Chawalit Yongchaiyut, who is the nephew of Mom Aphinphon Phetcharat Rattanaovongsa, was going to pay a visit, Prince Souphanouvong expressed great joy. He told Mom Viengkham that he had heard about him but that he had never met him. Mom Viengkham and Mom Aphinphon, the "sister-in-law" in this Lao family, had kept in contact with each other. When Mom Aphinphon died recently, the body was taken to Wat Somnat Vihan. The Lao Embassy in Thailand was ordered to send a wreath. The card on the wreath read, "From the family of Prince Souphanouvong." This was sent to pay respect to the memory of Prince Souphanouvong's sister-in-law.

The Wife of Prince Phetcharat

Prince Phetcharat was a Lao prince who was well-known to Thai, because he lived in Thailand for a long time. During the fight for Lao independence from France, the French Indochinese government tried to arrest him and so he fled to Thailand. He used Thailand as a base from which to carry on the struggle for independence. At the same time, Prince Souphanouvong, his younger brother, fought for Lao independence by contacting the Chinese communists and placing his faith in Ho Chi Minh. He helped found the Pathet Lao, which was based in Sam Neua. After Prince Phetcharat Rattanaovongsa came to Thailand to live, he became acquainted with many of the Thai "elite." He loved to take trips into the jungle. And because of his acquaintance with the Thai elite, he met Mom Aphinphon, or Aphinphon Yongchaiyut. They were married in Thailand. Prince Phetcharat died about 25 years ago. Mom Aphinphon died at the end of 1987.

Mom Aphinphon

Mom Aphinphon Phetcharat Rattanaovongsa, the sister-in-law of Prince Souphanouvong, was the youngest child of Nai Kongna Thongdam Yongchaiyut and Mrs Yen Wasantasing. Nai Kongna Thongdam was the son of Mr Chamniboriban (Sutchai) and Phranom Khelai. Mrs Yen's maiden name was Wasantasing. She was the daughter of Luang Anuratphubet (Singto Wasantasing) and Mrs Saeng. Nai Kongna Thongdam and Mrs Yen had three children: Cpt Chan Yongchaiyut, Lt Commander Wichian Yongchaiyut, and Mom Aphinphon. Cpt Chan married Mrs Lamun. Their son is Gen Chawalit Yongchaiyut.

Thus, Gen Chawalit Yongchaiyut is the nephew of Mom Aphinphon Phetcharat Rattanaovong, the wife of a prince in the Lan Chang royal family. Prince Souphanouvong was the younger brother of Prince Phetcharat, who was the uncle of Gen Chawalit, and so Prince Souphanouvong can be considered to be his uncle, too.

A Lao newspaper printed an article on the relationship between Prince Souphanouvong and Gen Chawalit Yongchaiyut in order to inform younger Lao about their background and relationship.

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Opinion Leaders' Post-Mortem of Lao Border War

Columnist Wants Non-Ideological Approach

42070120 Bangkok SU ANAKHOT in Thai
24 Feb-1 Mar 88 p 62

[Here's Thailand column by Liam Muangkhwang: "Don't Insult Laos"]

[Excerpts] The fighting along the Thai-Lao border at Ban Rom Klao in Chat Trakan District, Phitsanulok Province, has ended with a cease-fire agreement. This agreement came about as a result of talks between the Thai acting supreme commander and RTA CINC and the Lao supreme commander.

The fighting has ended, but questions remain. Why did we allow this situation to reach the stage of actual fighting? Were we remiss in our efforts to find a peaceful solution to the conflict?

The fact that our ideals are different was not an important factor in the buildup of tension along our eastern border. Because today, we have good relations with other communist countries, including China, the Soviet Union, and East European countries. The real cause of the tension along our eastern border was our fear of Vietnam and the assumption that Vietnam dominates Laos and Cambodia.

There are good reasons to fear Vietnam. And it's true that Vietnam has great influence over both Laos and Cambodia. But this does not mean that we have to implement a harsh policy toward Laos and on the Cambodian problem. Taking a tough position may result in our falling behind Vietnam in both the short term and, in particular, the long term.

As for our tough attitude toward Laos and Cambodia, just after the Vietnam War ended, many countries sympathized with us. But we have shown the world that Thailand is not a domino and that Thailand will not turn communist in the wake of the Vietnam War. We have been successful in solving the terrorist problem here. Thus, our tough attitude is looking more and more foolish.

Also, taking a tough attitude toward Laos will make others think that Laos is a victim of Thai persecution. Taking such an attitude will not benefit Thailand in either the short or long term.

There is also something else that is interesting about the Ban Rom Klao incident. The Lao prime minister took the initiative in calling for talks between the militaries of the two countries, which leads us to believe that Laos evaluated our internal situation quite accurately. They knew what the situation here was and so they proposed that military talks be held. As Laos thought, our military was better prepared for the talks.

In other countries, normally, it is the military that takes a tough position. It is the politicians or diplomats who must be prepared to negotiate. But at the present time in Thailand, the reverse is true. What happened shows that Laos is well aware of the unusual situation here. Viewed from this angle, the great concern about our activities on the foreign affairs front can be seen.

On the political and diplomatic fronts, Laos has shown great tact and finesse. As for Thailand, our weakness is that we tend to look down on Laos. We must not do this. The Laos of today is not the Laos of the time of Gen Phoumi Nosavan or Gen Vang Pao. The Laos of today is a Laos that has gone through more than 10 years of fighting at Thung Hai Hin. And politically, the leaders in the communist world, which includes Laos, are particularly skilled at showing restraint and giving sugarcoated poison to their enemies at any time.

In war and in international politics, we must know ourselves and our opponent. We can't think only of ourselves and slight everyone else. Let's do what has to be done. But let's not do anything to make people think that Thailand has lost the advantage to Laos.

Costs, Internal Conflicts Seen

Bangkok SU ANAKHOT in Thai 2-8 Mar 88 p 4

[Excerpt] Thai and Lao military leaders succeeded in reaching an agreement. But the draft agreement seemed to go in circles, and the wording of the agreement

became a sticking point. As a result, both Thailand and Laos felt that there were problems. Finally, Mr Phisan Mulasatsathon, the under secretary of interior, lost patience and told the representatives from the Ministry of Foreign Affairs that this was a military agreement whose objective was to end the fighting. He said that both sides had already agreed to this and that the treaty would have to be based on these intentions. He said that this matter must be concluded as soon as possible in order to avoid further bloodshed. Thus, the matter of the wording was settled.

But the Ministry of Foreign Affairs still felt that an addendum should be appended to this treaty stipulating that this agreement must be based on the 1907 treaty. It would have taken more time to draft this addendum and so the under secretary of interior pointed out that this would have to wait until the next stage, that is, during the government-to-government negotiations, which will be handled by the Ministry of Foreign Affairs. The argument over this went on for a long time.

Gen Chawalit Yongchaiyut, the RTA CINC and acting supreme commander, said that since the fighting started, the army has spent millions of baht but has not received much support. The army has had to look for money to pay the huge costs involved. He said that if the Ministry of Foreign Affairs can negotiate with our allies and persuade them to help bear the burden, the army can continue fighting. The soldiers are not afraid to fight. He also said that if the fighting continues, the people will have to pay more taxes in order to pay for the fighting. The government will have to collect more taxes from the people. Eventually, the people will split into two groups, those who want to continue fighting and those who want to stop the fighting. The country will not be united as it is today. Can the Ministry of Foreign Affairs succeed in persuading our allies to provide support so that this does not put too great a burden on the Thai people? For this reason, we should not allow this problem to drag on. It should also be recognized that since the fighting began, not one country has voiced support for Thailand in this war. Even the ASEAN countries feel that this was just a military agreement aimed at securing a cease-fire. The next step is up to the Ministry of Foreign Affairs. Thus, the representatives of the Ministry of Foreign Affairs allowed the matter to pass.

Thai who attended the meeting said that negotiating with Laos was easier than reaching an agreement with the Ministry of Foreign Affairs. After fighting with Laos, they had to fight other Thai.

The road to peace between Thailand and Laos may not be as smooth as some think. The next step is government-to-government negotiations. The Ministry of Foreign Affairs will handle the negotiations. How much it achieves depends on the (diplomatic) ability of the ministry of foreign affairs and on what evidence we have to support our claims. Otherwise, the matter will have to be turned over to the World Court.

Ex-Student Leader on Lao Relations

Bangkok SU ANAKHOT in Thai 2-8 Mar 88 pp 14, 15

[Article by Seksan Prasotkun: "War and Peace"]

[Excerpts] Finally, the fighting between the two fraternal countries has ended, with people having various feelings about this. Most people are happy that peace has been restored. But there are many who are irritated because the fighting did not result in Thailand planting its flag atop the hill. The newspapers have been quite sarcastic about this problem, whose name resembles a lottery number. In general, they are upset that Thailand did not crush Laos using force.

Among those who have spoken sarcastically about this peace, MR [royal title] Khukrit Pramot has spoken out more critically than others (THAI RAT, 24 February 1988). He has said that Thai military forces should launch an offensive and raze Vientiane. The Thai did that in the past and so why can't we do it again? He does not have much hope for a lasting friendship between Thailand and Laos even though we are fraternal countries. Thailand must be the "older brother." Laos has created an issue and so Thailand should ready a hard stick.

Such statements frighten me. If we do send Thai forces to raze Vientiane, there will be terrible fighting all along the Mekong River. Reservists like you and me will be called to active duty to participate in the fighting. Moreover, Laos and its friends may try to destroy Bangkok.

However, after considering his statements again, I think that MR Khukrit must have been joking. Because if he really was trying to urge the Thai military to take such action, he probably wouldn't have said that publicly. Occasionally, some of the things that he says undoubtedly conceal things as if he were negotiating. I don't know whether he is trying to teach us something or not.

We feel that a third country has forced the Lao military into waging war. Some soldiers have been bound to artillery pieces. Women have been recruited to fight. Morale is very low. Our soldiers, on the other hand, are ready to smash the enemy. Each day, our forces kill more Lao soldiers. If this were a boxing match, people would be cheering for a first-round knockout. No one wants a victory on points. Even monks are cheering the soldiers. Some monks have even gone so far as to say that killing Lao soldiers is not a sin.

We think that they have been forced to fight since the very beginning. Similarly, they have probably been under pressure to hold peace talks. This conclusion will definitely not please everyone, because it is not in line with our idea that that third country is constantly looking for excuses to wage war. Thus, there is only one way out for us and that is to jump the "traka" Thai-style. No one will criticize you if you cheer those on the same side. This pleases both writers and readers.

I think that MR Khukrit was being sarcastic about this. Because based on the reports that have appeared in the press, attacking Vientiane would seem the proper thing to do and would be in line with the feelings expressed in the newspapers. This is what I think. But I don't know whom MR Khukrit was ridiculing.

As for a lasting peace between Laos and Thailand, which are considered by many to be fraternal countries, MR Khukrit has said that Thailand must consider itself to be the elder brother. Thus, there will certainly be further incidents. I think that he is correct, because unequal relations will be a source of conflict. The question is, Do we have to have that type of relationship with a neighboring country?

I don't think that we can bring about peace if Thailand continues to be the "elder brother" of Laos. This probably irritates Laos. As MR Khukrit has said, this has probably given them an inferiority complex, and some day there will be an explosion.

The government should forget about the issue of our being fraternal countries. That would be more useful. Instead, we should promote the idea of being friendly countries that happen to share a common border. As for the fact that our two peoples are very close to each other because of a common ancestry, that's fine. We shouldn't try to prevent that.

I don't think that those Thai who were taken away to Burma when the country split apart want to return to Ayuthaya. Similarly, I don't think that those Lao who were forced to come to Thailand want to return to Vientiane. Those things happened so long ago that the people of today pay no attention to them. I think the same thing is true with respect to the sacking of Vientiane by Thai forces. I don't think the Lao people of today think much about this. Those who know about this regard this as ancient history. Take the matter of Burma sacking Ayuthaya, for example. I haven't heard any Thai saying that we should go and raze Ne Win's Rangoon because of this.

There is no reason to fear that Laos will annex Thailand's northeastern region. That region has never belonged to Laos. Even if they wanted to do that, there is no way that they could succeed. What is important is that northeasterners do not consider themselves to be a part of Laos. They are looking more and more toward Bangkok. More and more are moving south. Everywhere you look, there are more and more northeasterners.

Editorial Views Talks, Parliamentary Input

Bangkok SIAM RAT SAPDA WICHAN in Thai 13-19 Mar 88 p 2

[Editorial: "Thai-Lao Joint Communiqué"]

[Excerpt] Considering the results of the Thai-Lao negotiations at the political level based on the joint communiqué that was issued, it can be said that the problems

between the two countries are still far from being solved. But at the same time, we should not consider the talks to have been a failure. It's just that things will take time. The Lao delegation must submit Thailand's proposals to the Lao government for consideration. Thus, the main result of these political-level talks was to confirm that the cease-fire agreement reached by the Thai and Lao military delegations on 17 February is still in effect. Thus, Thailand cannot yet occupy the area where the forces of the two countries clashed and which Thailand considers to be Thai territory. Thailand will have to wait a little longer.

It is impossible to predict what the government's response to the proposals will be. It is understood that in any case, Laos will have to obtain approval from certain great powers that have influence in the formulation of Lao policies.

Besides this, one of the effects of the Thai-Lao border problem has been the revival of the Committee on Thai-Lao Cooperation at the National and Local Levels, which was established in 1979 during the time of the administration of Gen Kriangsak Chamanan. It is our understanding that Laos wanted this committee revived more than Thailand, because it stands to benefit from this policy or program. Because normally, bilateral relations benefit Laos more than Thailand.

There are probably many people who are interested in this but who do not know the details or facts about the problems that have arisen between Thailand and Laos. It isn't even known whether Thailand gained or lost as a result of the recent military- and political-level talks between Thailand and Laos. Thus, we hope that when parliament reconvenes in April, the MPs, who are responsible for looking after the rights and interests of the nation on behalf of the people, will take steps to have the government explain the problems to the people so that the people have a clear understanding of the problems.

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Leaders Claim Lao Territory; Anti-LPDR Forces Viewed

42070119a Bangkok KHAO PHISSET in Thai
17-23 Feb 88 pp 10-14

[Excerpts] The fighting in order to claim right to 80 square km of land in Chat Trakan District, Phitsanulok Province, opposite Bo Ten District in Sayaboury Province, Laos, continues. News of this continues to make the headlines.

The House Military Subcommittee has stated that "we should not negotiate until Laos withdraws its troops from Thailand." Besides this, dissatisfaction with Laos has reached the point of demanding that military operations be conducted inside Laos, that is, that attacks be launched inside Sayaboury Province.

On 7 February, SIAM RAT reported that Gen Phichit Kunlawanit, the assistant RTA CINC, had made a statement about the demand that Thailand gain "rights" to Sayaboury Province and that the Thai people should show their power on this issue.

On 11 February, a political group that calls itself the "National Revolutionary Council," which is said to support Order 66/2523 formulated by the military and which has good relations with senior military officers, issued a statement saying that Thailand has a legitimate right to four northern and eastern provinces, that is, Lan Chang, Champassak, Phibun Songkhram, and Battambang. But the statement also said that "unless Thailand has reached its limit, it probably won't take such action."

Influence Over Sayaboury, From Lao National Liberation Fighters to Khun Sa

Maj Gen Sutsai Hatsadin, a retired military officer who is an expert on border security work, told KHAO PHISSET that "Thailand's policy ever since the time of Field Marshal Praphat Charusathian has been to have relations with or influence over Sayaboury Province. This does not mean that our policy is to turn this into a buffer state. When I say influence, what I am referring to is having good relations with the people in that area, which is a strategic area of great importance to border security."

This strategic policy probably remains unchanged even though many years have passed. "This may be the reason why Laos is trying not to give in to Thailand's demands," said Maj Gen Sutsai about why Laos and the Vietnamese forces in Laos continue to launch military operations along the border.

Recently, many reports have pointed out that the Lao Government cannot control the "dissatisfaction of the people" in various areas such as Sithandon Province, or Pakse, and possibly areas of Sayaboury Province that border Thailand. This may be because of the poverty in the Lao socialist system.

It has not been revealed what type of influence Thailand has in this area. It is thought that relations between the Thai and Lao peoples have caused the Lao to lean toward Thailand rather than submit to Vietnamese influence. However, there are many groups in this area that oppose the Lao government. They carry on border operations near the refugee centers and can sneak past Thai officials.

Actually, groups have been opposing the Lao (communist) government ever since Laos split apart and fell under the control of the Kaysone Phomviharn government. But these resistance groups are not very efficient. They are like mercenaries who are using "national liberation" as a cover to obtain money from Free World countries that fear the communist threat. These groups

have carried on small-scale operations, such as trying to blow up an important construction site at Nam Ngum, sabotaging the bridge at Chong Mek, and committing robberies along the border.

The Lao Government is not very concerned about these right-wing Lao groups even though sensational stories have been published about important figures in the resistance groups such as Gen Vang Pao (the former commander of the Hmong army that fought for the United States), Col Bunloet Saiyakosi, and Gen Phoumi Nosavan.

Around 1980-1981, when China severed relations with Laos and implemented a policy of opposing Vietnam in this region, a delegation of right-wing Lao tried to make contact and ask China for support. That was when Mr Chai Choe Min was the Chinese ambassador to Thailand. There was one time when they succeeded in obtaining help. Thai security officials received a report stating that China had proposed giving aid to "all forces that have a policy of opposing Vietnam and those under the influence of Vietnam." China proposed giving weapons training to these forces and providing them with weapons.

Many of the Lao right-wing groups accepted this aid. As was reported, Col Khamphai Vilaiphan, a former Lao right-wing officer, and his men went to Yunnan Province in southern China, crossing through Sing and Louang Namtha districts. This group, the size of a company, underwent weapons training and were given weapons and money. They then returned to Laos using the same route. Col Khamphai was killed in an accident while riding in a boat near Luang Prabang.

During that same period, two other right-wing groups, that is, the groups of Col Lao Li and Col Pak Kao Her, who had served in Gen Vang Pao's division, were given weapons training by China. They returned and began carrying on operations along the border in Sayaboury Province. Col Lao Li and Col Pak Kao Her had two-three companies under their command. They tried to establish their bases opposite Loei Province near the Ban Vinai refugee center. It is thought that they are still trying to carry on operations inside Laos. It is estimated that their zone of operations extends 10-15 km into Sayaboury Province from the Thai border.

It should be noted that during the Rom Klao fighting, the 12 February 1988 issue of DAILY NEWS reported that at 1000 hours on 11 February, a Lao resistance fighter and approximately 150 of his men attacked Lao forces inside Laos and then returned to Thailand. They provide Thailand with much useful intelligence.

A KHAO PHISSET news source said that there are still many right-wing Lao forces that are trying to stir up trouble, gather intelligence, and carry on psychological operations. They are trying to carry out acts of sabotage in this area. But their operational capabilities are very

poor. Thailand has not paid much attention to these groups even though our policy is still to "have influence over Sayaboury Province." It seems that if Thailand really wants to have influence over Sayaboury Province, it will have to implement better measures both secretly and openly to achieve its objective.

The news source also said that in the wake of the fierce and protracted fighting at Ban Rom Klao, Burmese minority groups such as Khun Sa, a Shan leader who is now the commander of the Tai Army to the north of Thailand, have become active in an effort to participate in expelling the Lao forces or resisting the attacks by the Lao communist forces. Khun Sa may be doing this for his own benefit or because of certain pressures. But this shows that various forces all have the same goal, that is, to destroy the Indochinese communists.

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Army Assistant Chief of Staff Comments on Green Northeast

42070116a Bangkok SIAM RAT SAPDA WICHAN in Thai 17-23 Jan 88 pp 54, 55

[Interview with Lt Gen Sanan Sawetserani, the army assistant chief of staff; date and place not specified]

[Excerpts] [Question] What are the objectives in the Green Northeast Project?

[Answer] The Green Northeast Project stems from remarks made by the king to the RTA CINC on 25 March 1987 when the king officiated at a funeral ceremony at Wat Phra Si for soldiers and policemen killed in the line of duty. At that time, there had been a severe drought ever since 1985. People in some areas did not have water for consumption or for farming. The king told the RTA CINC that the army should provide help. The next morning, the RTA CINC issued orders to the units concerned. That is, on 26 March, orders were issued; on 27 March, plans were made; and on 28 March, men and equipment were moved. Every truck available in the 2d Army Region that was capable of transporting water was transferred to the northeast. The first task was to distribute water. During March, April, and May, the problems facing the people improved somewhat. In June, the king observed that distributing water like this was very expensive, because in some cases, the water had to be transported more than 100 km. The king's goal is to find a permanent solution to the problems facing the people in the northeast. Thus, in June, the plans were changed in order to develop the northeast on a permanent basis.

There are four problems in the northeast. First, the northeast is dry. It does not have water. Second, the northeast suffers from drought. This is because the rains are intermittent. Third, the people in the northeast are poor. They do not earn enough to cover the cost of living. And finally, the northeast has been neglected. These are

the problems or effects. What are the causes? Logically, the dryness is due to the lack of water. But actually, there is water. Based on the statistics that have been compiled, rainfall in the northeast averages about 3.5-4.0 billion cubic meters a year. But about 90 percent of this water drains into the Mun, Chi, and Mekong Rivers and flows into the China Sea. Thus, there is water, but there are no reservoirs to store as much of this water as possible. To solve this problem, every household and village must build reservoirs. Every subdistrict and district must dig as many wells as possible. They must dig shallow ditches and build canals to store water. These can all be used. Besides this, there must be places from which water can be obtained. Thus, there must be large reservoirs, such as dams on the upper Chi and Mun Rivers to form reservoirs. This is one type of project. After the dikes and dams have been built, water pumps must be installed along the canals. There must be canals for draining the water into the fields under cultivation.

If this is done, the northeast won't be dry. As for why the northeast suffers from drought, or why the rains are intermittent, this is because of the lack of forests. Without forests, the land becomes hot. When rain clouds pass by, the heat sets up an upward pressure system, and the wind pushes the rain clouds elsewhere. For example, the clouds from the China Sea that cross over Vietnam, Cambodia, and Laos reach the northeast but are then blown over Burma. Or clouds from the Bay of Bengal pass over the northeast, with the rain falling in Laos. The reason is that the northeast does not have forests. As a result, there is drought or intermittent rains. Thus, to solve this problem, we must take resolute action to prevent the destruction of the forests and expand the afforestation projects at all levels. If we can do this, the northeast will be green. If the northeast is dry, we must make it wet. If it suffers from drought, we must make it green. If we can do this, it will be easy to eliminate poverty. Because 80 percent of the people in the northeast are farmers. There are, however, a few places that cannot be developed into sources of water, such as the highland areas. To eliminate poverty, we must develop and promote farm jobs. One of the obstacles in creating farm jobs in the northeast is the condition of the soil there. The soil in the northeast is dry and does not hold water, and it is salty. There are approximately 30 million rai of saline soil in the 17 northeastern provinces. Almost nothing can be grown in this saline soil except eucalyptus trees. We have planted eucalyptus trees. Soil that is less saline can be used to grow other types of plants. We have promoted the cultivation of these plants. The soil must be developed. Finally, there is the problem of the northeast having been neglected. If the northeast has water, fish, and rice and if we have good public relations, the northeast will revive and join with us in restoring the situation in the northeast to normal. Because if we can defeat the natural disasters, we can make the northeast fertile by relying on northeasterners to help develop the region. In short, solving the problems in the northeast concerns water, forests, and soil.

[Question] In your capacity as head of the team responsible for coordinating things with the private sector in the Green Northeast Project, under what conditions will the private sector be allowed to play a role in this?

[Answer] We have formulated many project plans. It depends on what projects the private sector will support. For example, there are water, forest, and vocational development projects. We have projects under the control of the Planning and Policy Section, Royal Center To Help the People. Take the project to plant eucalyptus trees, for example. People in the private sector can participate in this project by promoting afforestation. They can buy the timber to produce paper pulp. After studying the details of the projects, I will make recommendations. Suppose that we export eucalyptus wood. If an agreement is reached, I will discuss the details with the planning section. We will consider who stands to benefit the most and whether this is in accord with our project.

[Question] Have many people in the private sector asked to participate?

[Answer] Yes. Many have.

[Question] How are things coordinated between the private sector and the army?

[Answer] Take participation by private organizations in the afforestation project, for example. The farmers who plant trees must receive assurances that they will be able to sell the timber. As for those in the private sector who make purchases, the army will serve as the coordinator and monitor things during the waiting period. Because the eucalyptus trees must grow for at least 5 years before they can be cut and sold to the private companies. But the farmers have to eat during that time. They must be encouraged to grow other crops, too. Those who become involved in the eucalyptus industry must produce products from other crops, too, in order to ensure that the farmers earn an income. This is a very simple principle.

[Question] Do they have to sign a contract with the army?

[Answer] Yes. An agreement must be reached in advance. In the case of eucalyptus trees, initially, we don't want trees exported. We want people to build mills to produce paper pulp in order to compensate for imports.

[Question] How will the profits be shared among those who become involved in the projects?

[Answer] We will not make any profits. Our function is to monitor things to see that items are purchased at a fair price. At the same time, we are serving as the catalyst and as guarantor for the farmers so that they will send their produce to these people without interruption. The

various projects will be carried on continuously. In the future, we will implement a cattle rearing promotion project and several hundred other projects.

[Question] How does the army approach the people?

[Answer] Usually, we have units and officials in the area. Forward units approach them first. And we coordinate things with administrative officials and local leaders.

[Question] Has the private sector donated much money and many goods?

[Answer] Much money has been donated, and people continue to make donations. Several million baht have been donated. The Welcome to the Green Northeast concert staged by the Carabao band made a net profit of 1.5 million baht. And people have donated many goods.

[Question] Does the army want people to donate money or goods?

[Answer] Above all, we need funds. But goods have been donated to help the people in the localities. For example, cement companies have donated cement. We have used this to build reservoirs and other water storage facilities.

[Question] How much money is needed from the private sector?

[Answer] I can't give you an estimate, because these are long-term projects. The more money there is, the more that can be done. The initial projects are 5-year projects.

[Question] If people don't donate money, will this affect operations?

[Answer] There will be obstacles. We have requested funds from the government, too. The large projects that have been planned and that require government funds cannot be implemented until we receive these funds. But we are doing our best to carry out the small projects without interruption. We can't stop.

[Question] How much money has the army donated to the Green Northeast Project?

[Answer] The army does not have any funds for this project. But we can't stop. We have used some of our funds in advance. We have gone ahead with some things. We have used donations to carry on things. The government may or may not authorize funds, but we can't wait. We have to take action.

[Question] This implies that since the Green Northeast Project was implemented, no financial aid has been received from the government.

[Answer] That's correct. But the government has provided funds for irrigation projects. They are carrying on their own projects. We are coordinating our projects

with theirs. We have approved the projects recommended by educational institutions. But we don't have the funds needed to implement the projects. We will continue to try and find the money needed. At present, we are doing such things as this in an effort to "sell" the projects. (laughs)

[Question] What was the real goal of the Welcome to the Green Northeast concert?

[Answer] We wanted to promote the Green Northeast Project and familiarize people with this project. We also wanted to earn some money for the project, because we need money. There were limitations. But actually, the main purpose was to inform people of the ideals of this project. The Carabao band offered to help us. This was a public relations effort to show people that this group supports us. This should help to bring in more people. That concert made a greater impression than expected. I think that about half of those who attended the concert that day at the army sports stadium (laughs) are people whom we hope will become involved. Many of these people have come to seek their fortune in the city. We hope that they will return to help develop the northeast.

[Question] Do you think that northeasterners will return home?

[Answer] I think they will if they have hope. People love their native villages. People do not leave their native villages unless it is really necessary. If they have hope, if there are forests and water, I am sure that they will return to their homes in the northeast. There are many problems. There must be development. The northeast is a strategic region. Looking at a map of Thailand, it can be seen that the northeast is the ax. We have allowed the northeast to "rust" for too long. Of Thailand's 47 million people, 11 million people are below the poverty line set by the government. And of these 9 million live in the northeast. If we lose the ax, Thailand will no longer be an ax. We will become a stick. (laughs)

[Question] Would you tell us about your background?

[Answer] I was born on 15 September 1929 in Muang District, Nan Province. I came to attend school in Bangkok when I was very young. I completed upper secondary school at Triam Udom School and then entered the Military Preparatory School as a member of Class 8, or Chulachomklao Royal Military Academy [CRMA] Class 1. But I failed the examination. I graduated from CRMA as a member of Class 2. I spent too much time playing sports. I served as the school's rugby coach. After graduation, I was assigned to the infantry, serving at the Lopburi Infantry Center. In 1957 I was appointed leader of an officer cadet platoon. I served in Korea with the 11th group in 1959-1960. I served in various branches and held various positions. In 1966 I attended the Army Command and General Staff College as a member of Class 44. After that, I participated in communist suppression activities for awhile. I was then

assigned to the army Directorate of Operations. I served as an aide to Gen Bunchai Bamrungphong, the then assistant army chief of staff for operations, until he was promoted to deputy chief of staff. In 1971 I was sent to Vietnam. The year before, I had been sent to carry on special operations in a third country. After returning to Thailand, I was again assigned to the Directorate of Operations. I served as a psyops officer with the Army Operations Center. In 1975 I followed Gen Bunchai Bamrungphong and served as a staff officer to the RTA CINC. The next year, he became the deputy prime minister for security. I went with him and served him until he left this position. In 1980 I attended the Army War College as a member of Class 25. After the events of 9 April 1981, I was appointed deputy commander of the 2d Infantry Division based in Prachinburi. After that, I was appointed commander of the Chonburi Military District. I then attended the National Defense College as a member of Class 26. Following that, I served as deputy commander of the Special Warfare Command. And in 1986 I was appointed assistant chief of staff of the army for personnel.

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Editorial Blasts U.S. on Refugee Issue

42070121c Bangkok *MATICHON* in Thai
12 Feb 88 p 8

[Editorial: "'Satan' in the Form of a 'Benefactor'"]

[Excerpts] American officials cannot deny that the problems concerning the refugees, who are like a huge pile of garbage for Thailand and the Thai people, stem from the war and conflicts in Indochina. Not only did the United States play an important role in setting off that conflagration, but it played an important part in getting Thailand to serve as a huge military base from which to send soldiers and aircraft to bomb and destroy the three Indochina countries. But today, even though the war ended with an overwhelming defeat for the United States and even though large numbers of refugees have fled abroad, Thailand is still at odds with its neighbors, particularly along the Thai-Lao and Thai-Cambodian borders. This stems in large part from what the United States did in the past.

The same is true with respect to the refugee problem. In part, the flow of refugees out of Laos, Cambodia, and Vietnam stems from the propaganda about the evils of communism as portrayed by American news agencies. But another reason for this is the refusal by the U.S. Government to accept its disgraceful defeat in the Indochina War. Thus, it has waged a psychological war by trying to persuade Vietnamese, Cambodians, and Laotians to flee their homelands, saying that the United States and third countries will be happy to accept and take care of them. The United States wants to use the refugee situation as a tool to attack the Indochina countries, which drove the United States out.

From this, it is clear that even though the problems that have arisen in Thailand and the three Indochina countries stem from the political and military policies implemented by the United States two decades ago, instead of bravely admitting its mistakes and failures and accepting responsibility for what it did, the United States has shifted the responsibility to Thailand and the Thai people. Moreover, it has brazenly grabbed the best things for itself without any regard for the damage that this might do to Thailand, which the United States calls its "great friend."

In its capacity as an independent newspaper, on behalf of the Thai people, *MATICHON* would like to tell the U.S. Government, including the President and those responsible in the Department of State, that we sincerely hope that they will listen to and understand the things said by Gen Prachuap Suntharangkun, the Thai minister of interior. He has clearly stated that the war in Indochina, which was started and spread by the United States, is over now. The problems that remain stem from past actions and the secret activities of U.S. officials.

The United States has criticized Thailand. As far as the Thai people are concerned, the only possible interpretation for this is that the United States is like a sick dog with sores all over the body. But instead of realizing that the "sores" are caused by its own filth, it blames others. If a superpower acts in an irresponsible manner, it will lose the respect of other countries.

11943

Editorial Calls for Review of Malaysia Ties

42070116b Bangkok *SIAM RAT* *SAPDA WICHAN* in Thai
6-12 Mar 88 p 2

[Editorial: "A Policy That Needs To Be Reviewed"]

[Excerpts] One of the important problems is that Malaysian officials have seized Thai fishing boats passing through or violating Malaysian waters. No agreement has been reached. Malaysia's prime minister has said that he wants to discuss this problem with the Malaysia officials concerned who have direct authority in this matter. Thus, he has not been able to give any assurances to Thailand's prime minister, who has asked that things be relaxed by warning the boats to leave Malaysian waters instead of seizing them. Because this is a matter of the regulations and laws in effect in Malaysia.

Even though Malaysia says that it treats the fishing boats of all countries the same, actually, this affects Thai fishing boats the most. Very few fishing boats of other countries operate in this area. Malaysia has implemented these measures in order to harass Thai fishing boats and eliminate its trade deficit with Thailand. Because since 1982, or after the government of Gen Prem came to power, Thailand, which had always enjoyed a trade surplus with Malaysia, has constantly run a trade deficit.

During the recent talks between the leaders of the two countries, besides the fact that they failed to solve the fishing problem, Thailand agreed to allow Malaysia to sell 5,000 tons of palm oil here even though the Thai government knows that palm oil production is the occupation of most of the people in the southern provinces and that Malaysia's palm oil prices are lower than those of Thailand. If the government allows palm oil to be imported, this will certainly cause problems for those who earn their living by growing palm trees. In the end, they may have to look for some other type of work.

For these reasons, we feel that the time has come for the government to review its foreign policy, particularly regarding our neighbors. It must do what is best for the country and people. It must not think about personal benefits. That is, it must not be concerned about gaining praise from these countries, which is what it is doing now.

11943

POLITICAL

HCM City Admits New Party Members, Expels Unqualified Ones

42090149a Hanoi NHAN DAN in Vietnamese
2 Feb 88 p 1

[Text] Last year Ho Chi Minh City's party organization admitted 4,350 new members, among them 61 percent being youth union members, 30 percent women, 14 percent workers directly involved in production, and 62 of them heroes and outstanding emulators. Since the day of liberation it has admitted more than 30,000 new members. That was an important factor that raised the strength of the party organization. The Municipal CPV Committee had been concerned with assuming leadership over expanding the party among the youths and workers and with being directly involved in production and in the small industry and handicrafts sector, hospitals, schools, rural areas, and such sectors as taxation, commerce, import-export, and so on. Although the party-building task had not yet satisfied the needs of the new situation, the party chapters were able to admit more new members than in the previous years. Importance was attached to the quality of new members, starting with providing the right training to favor the recruitment of new members, particularly training in the knowledge of the party, renovation of thinking, moral qualifications, and specialized and professional capabilities. In addition to perfecting their organization, improving the leadership quality of party bases, and admitting new members, the party organizations regularly expelled those members who had become backward and degraded, thus unqualified members. In 1987, the municipality handled more than 1,000 cases of party members subjected to disciplinary action, including 283 cases of expulsion from the party.

However, 40 percent of party bases did not admit any new members in the entire year, in spite of the fact that they mostly were weak and poor party chapters having few members. The tendencies to act in a narrowminded and mechanical manner, to turn things into administrative matters, and to neglect and to go after quantitative goals in the party-building task still existed in some localities and led to their having accepted even unqualified people as new party members. There was a lack of firmness in taking action, with various measures and in various forms, to expel from the party those members who were no longer qualified. The number of probationary party members who failed to become regular ones accounted for 20 percent of the total party membership in the municipality.

5598

Hanoi City, Huong Giang Corps Admit New Members

42090149b Hanoi NHAN DAN in Vietnamese
3 Feb 88 pp 1, 4

[Text] In recent years the Hanoi party organization has gradually made party building a routine task. In 1987 all wards and districts succeeded in raising the quality of

party building, which was clearly seen in their selecting progressive people and providing them with training to make them qualified for admission to the party. Wards, districts, and the party organizations subordinate to the Municipal CPV Committee had plans for building the party and for opening classes to provide party chapter secretaries and committee members with more experience in party building. Prospective party members attended advanced classes to acquire more knowledge of the party, the role and responsibilities of party members, the CPV statutes, work for the masses, and so on. After their admission to the party, they attended the training courses for new party members. Hanoi admitted new party members on such significant occasions as the anniversary of the CPV, 3 February; President Ho Chi Minh's birthday, 19 May; and the National Day, 2 September.

Last year the Hanoi party organization admitted 4,400 new party members, among them workers directly engaged in production accounted for nearly 30 percent and science-technology cadres 26.5 percent (Communist Youth Union members 45.8 percent and women 32.3 percent). All new party members, who were progressive laborers and in many cases outstanding emulators for many consecutive years, had been recommended to the party by the masses, given work to do on a trial basis, and trained. Almost all of them recently were put in a program of training to become cadres of party bases. By getting new party members many party bases were able to overcome the situation of understaffed party chapters and to get more strength from young people. The number of party members being science-technology cadres; working in production installations, sales counters, and schools; or being in charge of protection of socialist materials and properties was increased.

Of the new party members Dong Da Ward admitted 650; Hoan and Hai Ba Trung Wards, nearly 500 each; Ba Dinh Ward, 320; Gia Lam District, 350; Dong Anh District, 309; Tu Liem District, 260; the Hanoi Public Security party organization, 200, and so on.

Hanoi's party-building task, however, was not fulfilled everywhere. More than 30 percent of the party bases last year did not get any new party members. Those were the ones that had not adopted any party-building plans. The tendencies to remain narrowminded, to seek perfection, or to be unconcerned about party building still were quite overwhelming in those party bases. Some party bases did not try to ensure quality as they admitted new party members; as a result, nearly 100 probationary CPV members had to be expelled from the party.

Huong Giang Corps Party Organization

In 1987 the CPV Committee of Huong Giang Corps [Binh doan] concentrated its leadership energy on building strong basic party organizations, raising the capabilities of the people doing party work in its units, and creating a good environment for cadres and combatants

to work and to get trained. The basic party chapters and party organizations were doing a good job in controlling the quality and capabilities of their members while paying proper attention to the party-building task.

The party organization as a whole admitted more than 1,700 new party members, who had been outstanding youth union members being recommended to the party by youth union chapters. The party committee echelons were closely linking party building with fulfilling the political task of units through the Youth Union organization's activities. The party organization of the corps opened 55 training courses for more than 2,700 prospective party members.

5598

Cadre Criticizes Youth Union Achievements

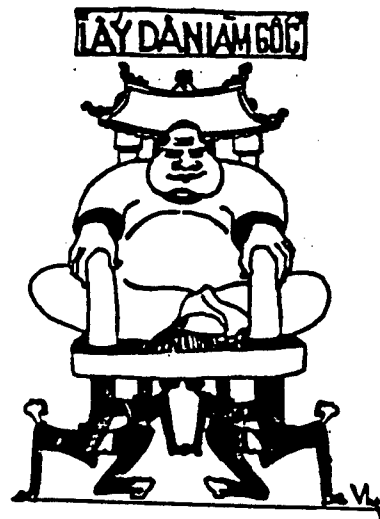
42090152 Paris DOAN KET in Vietnamese
Jan 88 pp 27-28

[Article by Hong Dang reprinted from TUOI TRE CHU NHAT, 15 Nov 87]

[Text] The Fifth Congress of the Ho Chi Minh Communist Youth Union (abbreviated below as the Union) was held in Hanoi from 27 to 30 November 1987 with 750 representatives of 4.2 million youth union members throughout the country. Prior to that, the representatives participated in 2 days, 25 and 26 November, of congressional seminars dealing with various topics on social policies, the three economic programs, youth, science and technology, etc. During the first day of the congress, General Secretary of the Vietnam Communist Party Nguyen Van Linh spoke to the representatives. After 4 days of work, the Congress approved a resolution on the future activities of the union, and elected a Fifth Term Central Committee of 150 members. Ha Quang Du, Second Secretary of the Fourth Term Youth Union Central Committee, was elected as the First Secretary.

Although the closing statement of the congress by the new union leader stressed that, "The congress expresses the determination of 17 million union members and youths throughout the country to enthusiastically participate in the task of renovating the country," an individual following the Congress wrote in the newspaper TUOI TRE CHU NHAT (No 47, 1987) that "It is still apparently not easy to make the assertion that the union congress has yet truly renovated anything" (an article by Dang Dung). Actually, a careful reading of the congressional resolution, long enough to fill two-thirds of a page in NHAN DAN (and about four or five pages in this newspaper), shows it is still only filled with inflexible formulas and absolutely no reflection of the renovation efforts of the youths throughout the country (much less those of the union!).

Even in the report of the Union Central Committee to the congress (we still do not have the complete text), one feels that the lives of the youths have almost totally



The People Are the Base

Cartoon sent to the National Youth Congress from the Hue School of Arts

disappeared, replaced by old and absolute bureaucratic formulas. The report stated that 30 percent of the youths have joined the union. General Secretary Nguyen Van Linh himself asked the question, "What percentage of this number made the effort to be admitted with an objective of avoiding the minimum test standards for admission to college or other high-level education, or to study and work in cooperative labor in foreign countries?" The angry struggle of youths throughout the country against biographical documentation has apparently not even slightly shaken officials in the Union Central Committee. The discussion of several months in the newspaper TUOI TRE on "ideals enriching the nation" failed to assist in giving the section of the resolution written on youth ideology even a tiny breath of specific life, or in alleviating the shame that every Vietnamese feels over the poverty, backwardness, oppression, injustice, etc. that are still widespread in society.

Under these conditions, we are publishing the accompanying article submitted by a union cadre to the congress, an article that is still of value after the congress has ended. It is reprinted with the sincere hope that signals for true renovation will be quickly noted from the new Central Committee of the Vietnamese youth. **God Helps Those Who Help Themselves** (Footnote 1) (Statement by General Secretary Nguyen Van Linh (during a meeting with artists and writers on 6 and 7 October 1987))

There are only 10 more days before the National Union Congress convenes. I wish to contribute my opinions to the congress, based on the latest documents of the Union

Central Committee. First of all however, although I want to, I can still find no creative appeal from those documents. I can only do something else: allow life itself to raise its voice.

A sad reality is that up to now, there are still no signs proving that the National Union Congress has attracted the concern of a majority of union cadres and members, not to mention a majority of youths. Why? As the Sixth Party Congress reported when faced with a historic change caused by conclusions of the Political Bureau on a number of problems in the economic viewpoint and by a number of important documents, it will be necessary at this union congress to honestly state that the new thinking of the Sixth Party Congress has not been thoroughly understood in the draft documents presented for consultation by the Union Central Committee Secretariat. For that very reason, cadres and members of the youth union have little fervor about the future generation, and all have extreme difficulty in finding any expectations in the Congress. I don't know whether this is too harsh but it is clear that preparations for the Congress have not yet created any promises for the renovation outlook.

Let us begin by evaluating the situation. Could we find a panoramic painting straightforwardly picturing the true situation of Vietnamese youth engaged in a way of thinking that is still involved in a style of reporting achievements and relating deeds, presenting series of tasks burdened with the nature and form of the union? How can it be that until today, we are still entangled between the real movement of the youth masses and a number of activities of union organizations and other activities of an administrative and organizational nature? Why aren't we boldly raising and also answering the series of vital questions of the young? To what extent do the youth of Vietnam believe in Communist ideology? Do the youth of today have the self-awareness to inherit the revolutionary undertaking of preceding generations? Are they accepting the one-for-all collective way of life? Do the youth still nurture ambitions of carrying out great undertakings? Why don't they yet believe in socialism? Why aren't they still enthusiastically striving to move forward? Why are they so easily falling into pragmatism and a life of individual reward? Why do they bow and scrape to find a life of leisure for themselves? Why don't they boldly struggle for social equality? Why is the union organization the "lackey" of bureaucrats?

Who must answer these questions if not the union congress? These are not questions thought up by me but are the thoughts and anxieties of countless individuals engaged in union work. They have also been expressed in thousands of meetings to present opinions on the union congress theme. Regrettably to this time, these questions still stand beside the congress preparations, or are only touched upon in the documents.

Without straightforwardly observing an alarming situation, how can the basic and urgent methods to save that situation be presented? Were we startled when we heard

T. Armatov make his assertion concerning the Soviet Lenin Communist Youth Union? "The union is extremely outmoded." (Footnote 2) (Article by Armatov in the newspaper VAN HOC [LITERATURE] (Soviet Union) 13 Aug 86, translation published in the magazine SONG HUONG, No 27 (1987)) A harsh but accurate evaluation reserved for the friends' youth union under the "open" and "reorganized" means of observation. As for our union, I reserve for the congress the right of evaluation but on the part of the writer, although extremely closely connected with the union, I must also sadly observe that our union is extremely retarded.

At every level of the union, the activity formula situation has become old and eroded and is widely unnatural in theme. The union becomes increasingly distant from the youths, and the youths feel that no need for the union exists. The union organization has become administrative, formularized, old, weak and retarded...retarded even in the leading organs. It is not necessary to hide the evaluations by provincial and municipal unions of the Union Central Committee organ, nor to recall the remoteness of union members from their own Central Committee secretaries. It has become too familiar to everyone.

Before us is a distressing painting of the youth situation and union work. A painting with extremely complex and contradictory strokes. Beside the examples of heroism and pure and noble hearts are petty and selfish intentions, and beside the profound and resolute efforts and unending sacrifices are privileged disengagement, cheating and deceit. It is necessary to fully recognize and seek out the thread running through those strokes to understand the true situation and to grasp the primary links for taking action. This cannot be done by simply relating achievements and deeds or by simply dusting the frame without basically changing the arrangement of the entire painting.

Who can do this? Nobody but us, the members and organizations of the union.

Don't blame the mechanism or objectivity. The time has come to accept personal responsibility. With each individual doing a small part and everyone in agreement, there is no task so difficult it cannot be done. Only in this manner can we save ourselves and save the young generation from the serious decline of an entirely retarded and backward period.

7300

MILITARY

General Makes Combat Training Recommendations

42090146A Hanoi TAP CHI QUAN DOI NHAN DAN
in Vietnamese Dec 87 pp 43-50

[Article by Major General Khuat Duy Tien: "Some Thoughts on Combat Training"]

[Text] The Resolution of the Sixth Party Congress set forth the mission of "Building an increasingly modern conventional people's army with increasingly high overall quality, on the basis of building pure and strong party organizations, and with the Congress's spirit of renovation, on the basis of the actual situation of military training in past years we would like to make the following recommendations:

1. The Training of Troops and Small Units

Troops and small units are among the basic objects of combat training, for they are the forces which directly carry out the combat actions and the specific tactical stratagems, as well as the technical and professional procedures, etc., to fulfill combat missions on the battlefield and fulfill peacetime tasks. There are two phases of troop training: the training of new recruits and the training of troops in the process of training squads, platoons, and companies. Troops also receive continuing training to improve their abilities and steel them in the actual work, combat readiness, and combat of the small units.

The general direction of our training is training that is "basic, systematic, unified, and comprehensive," and in close accord with the requirements of combat missions on each battlefield.

In accordance with that training direction, it is first of all necessary to pay attention to and improve the quality of the phase of training new recruits. Organization and planning to carry out the phase of training new troops must be extremely meticulous, with appropriate allotment of time, correct training organization and methods, meticulous support, and tight inspections.

We believe that because the phase of training new recruits is the initial training people receive when they enter the army, the results of that training phase have a direct, decisive effect on the quality of the combat readiness of the regular forces, and the creation of powerful reserve forces in the future. The good training of new recruits also has the significance of serving, directly and actively, the training of officers and technical specialists for the army, for that training phase creates basic, decisive conditions so that all youths can fulfill their military obligations and become military personnel who are truly worthy of their profession and can meet the minimum requirements of the combat and work missions all troops must fulfill.

The good or poor implementation of the phase of training new troops also specifically manifests the army's political responsibility toward combat readiness and combat to defend the fatherland, toward the people, and toward each soldier. It can be regarded as having true political responsibility only when it has prepared all necessary conditions regarding morale, combat will, combat skills, and technical skills for all soldiers before sending them to their positions to engage in direct

combat to defend the fatherland. How could the army be regarded as having political responsibility toward the people if it sent soldiers to fight the enemy without training them or making full preparations, depending on the requirements of the combat missions?

At present, there are different opinions about the goals, times, programs, contents, and quality norms that must be attained, and about the organization and methods for training new recruits. The operational methods differ on each battlefield and in each unit. Some places implement a recruit training program of 1 month (24 days), 7 hours a day, with many contents and strict requirements. Other places implement a 3-month (22 days a month) training program, 7 hours a day, also with many contents and very demanding requirements that must be attained. After the 3-month training period there is supplementary training for units directly engaged in combat at the front. We believe that with such high contents and quality requirements, the training times are not sufficient to ensure that the new recruits continue to train to become professional military personnel who have combat skills and can participate in combat immediately.

With regard to the organization of training, some places have battalions train infantry troops and have companies train combat arms troops, while other places have regiments train infantry troops and have battalions train combat arms troops. When new recruits are assigned to the training units, the units must have two or three different training programs (for new recruits, troops in their second year, and troops in their third year). We believe that with such training organization it is difficult to ensure good, uniform results among the units.

In our view, new recruits should be trained only at training centers. Such centers should carry out training in accordance with a uniform 5-month training program. The experiences of many years of training show that training time and organization enable training in the basic contents to ensure the creation of a basis on which new recruits can become professional military personnel who, after joining their units, are capable of rapidly integrating with the experienced troops and have the necessary qualities to fulfill their missions.

The phase of training new recruits is one which forms professional military personnel. That phase consists of basic training and education contents. Regarding the political contents, at the minimum, it is necessary to teach the military personnel to have enlightened consciousness toward the duties of soldiers, be loyal to the fatherland, do a good job of carrying out their missions while fulfilling their military obligations in the regular units, be prepared to fight after being transferred to the reserve forces, have a sense of organization and self-imposed discipline, and do nothing that is contrary to the nature and honor of active-service and reserve military personnel. With regard to orders, they must be trained and conditioned so that all of them can firmly grasp their responsibilities and positions, have good

relations with other military personnel and with the people, and have a work style that is urgent, lively, brave, and loyal. With regard to technical and tactical matters, they must grasp the capabilities, structure, and combat role of all types of individual and squad equipment, know how to use them expertly in combat and carry out ordinary maintenance and repair, know how to use appropriate combat maneuvers to fight the enemy under complicated circumstances when on the offensive or on the defensive, and be capable of carrying out patrols, sentry duty, warning, and other assignments. Furthermore, the new recruits must receive physical, psychological, and physiological training to adapt to the special labor conditions of military life and combat activity.

Recently, our unit has carried out a 5-month training program for new recruits at a training center for which the Ta Sanh Division is responsible (with the agreement of the Ministry of National Defense). The initial results of that training organization clearly demonstrated that the phase of training new recruits requires a period of at least 5 months of concentrated training. In that training phase, it is necessary to pay attention to training in executing orders, physical training, political education, technical and tactical training, and a number of necessary rear-service and technical matters. With the training contents and times that are set forth, it is necessary to correctly determine the specific goals and requirements that must be attained, have closely managed specific goals and training equipment, and carry out strict inspections and evaluations after the completion of each subject to determine to what degree the goals were met.

2. In-Service Training of Cadres and Organs

Every year the ministry sets aside 40 to 60 days for training low-level, mid-level, and high-level, cadres and command organs. The training contents and subjects for each level are clearly determined for each training cycle.

On that basis, the units organize short-term (5-10 day) training classes, combined with command organ exercises on different scales and in different forms to inspect and evaluate the results of each phase, or at the end of the training year.

We believe that in comparison to the requirements of the units' actual construction and combat, those results have fallen short. The actual situation with regard to the quality of cadres can be seen in the combat effectiveness and the results of the unit's management with regard to discipline and the material-technical bases, and to the organization of living conditions. That demands that we have a comprehensive, practical, and scientific way of viewing and resolving the matter of in-service training for cadres and command organs at all levels.

First of all, it is necessary to pose the matter of in-service training for cadres and command organs within a unified relationship with training in basic and supplemental

training schools. In-service training and training in schools are closely inter-related and cannot replace each other. In fact, training in our schools is still beset with many limitations.

Our in-school training of cadres can only provide basic knowledge with regard to ability, mastery, and practices in such matters as the command and training, political education and leadership, and provide purely professional knowledge for each combat arm and armed forces branch. We have not paid adequate, all-around attention to training in command science and unit management, according to the responsibilities of commanders at all levels. Although the schools have carried out training, the contents of that course are still fragmented and scattered out among the topics of training in combat command. Meanwhile, the schools' training organization and methods usually do not skillfully combine theory with practice. Therefore, students who graduate and return to their unit to carry out the responsibilities assigned them are very perplexed by the extremely lively and complicated reality in the unit. We should clearly realize that weakness of cadres who have just left the schools, while also realizing all of their strengths with regard to basic theory, to exploit those strengths in order to overcome their weaknesses by organizing annual in-service training. But the organization of in-service training for cadres is also beset with deficiencies and weaknesses, such as the training methods in schools lacking emphasis on improving management and command ability, and more emphasis on theory and practice.

When we examine the in-serve training programs and plans for cadres and organs, we see the situation of over-ambition, too little time, many contents, and careless preparation with regard to both content and support facilities. An outstanding feature is that the preparation of instructors and teaching plans is still simplistic, there is no concentration on the key points, and there is no shoring up of the weaknesses and essential parts, so results have been unsatisfactory. There have also been instances of the upper-echelon training organization not taking into consideration the conditions, circumstances, and time of the lower echelon. At a time when the lower echelon personnel must concentrate on fulfilling the norms and missions assigned by the upper echelon, and worry about the quality of the unit's development and many other problems which must be resolved, they are called in for training. That creates duplication, disturbance, and pro-forma training.

It is necessary to correctly understand that in nature the in-service cadre training method is a continuous process of working while studying, with emphasis on working, of studying on the job, and of, by means of the job, improving the quality of study and strengthening the commanders ability to fulfill their responsibilities and missions. In addition to classroom study and concentrated cultivation, it is necessary to study and apply many in-service training forms and methods for cadres

even during the time when the lower-echelon commanders and command organs are fulfilling the mission of managing troops in a combat-ready status, guiding the implementation of training plans, commanding the troops; daily activities, and managing production labor. The upper echelon may cultivate lower-echelon cadres and organs by using the forms and methods of direct guidance, inspection, and the timely accumulation of experience, by means of such specific tasks as approving instructional plans, organizing and managing actual practice, and evaluating the results of the performance of a task; rectifying deportment and work styles; correcting the text of reports; or evaluating the results of the fulfillment of missions in conferences, and by monitoring and evaluating the fulfillment of missions.

In training cadres, we usually stress training based on the combat missions. That is correct and very necessary, but that alone is not enough. In the situation of our cadres still having many weaknesses with regard to managing and developing troops, it is even more important that the units pay attention to the training contents and direction, vis-a-vis the requirements of the mission of comprehensively managing the units. In the case of the mobile units, grasping the troops' situation and closely managing the unit's activities is a very important, practical content for maintaining a high degree of combat readiness and quickly undertaking combat missions when orders are received. Recently, our unit has paid attention to self-study by cadres and emphasized training to improve the quality of the organization of troop management, grasping the unit's situation under the operational conditions, and organizing the monitoring of cadres at all echelons during the training process. The troop management task is stressed and has become a content of the study and training of command cadres and organs at all levels.

3. Training Organization and Methods

Training organization and methods must be renovated in order to ensure that the troops can firmly grasp the contents and apply them to the actual situation in a creative, flexible, and active manner, and avoid the phenomenon of applying them mechanically and passively.

At present, a considerable number of units still train infantry troops, squads, and platoons by applying the training method of a complete tactical form, with the monotonous order to receiving missions, carrying out the task of organizing preparations, waging the battle, concluding the battle, understanding the mission, the objects of battle, terrain, weather, etc., and training that covers in turn each content and topic from the parts to a synthesis of the parts. Such a method wastes much time, is cumbersome, and is not practical.

We believe that a more appropriate, practical training method is training for troops and small units in actual situations that often arise on the battlefield, such as

techniques and maneuvers when assaulting, when encountering enemy manpower, when the enemy counterattacks, when attacking objectives often encountered in combat, and the necessary tactical maneuvers and oral orders that must be applied. Our unit has carried out the training of infantry troops and small detachments by organizing training according to objectives (not training in accordance with the organization and methods of a complete tactical form). For example, troops fighting the enemy inside fortifications, or troops fighting the enemy outside fortifications. According to the goals that are set for the topic, the different circumstances are recreated on the practice field to train soldiers and small units in tactical techniques and maneuvers, from the simple to the complex and from the basic to the applied, to enable the training contents to be flexible, lively, and appropriate to actual combat, and to gradually raise the levels of the troops and cadres from a low level to a high level and from unskilled to skilled.

Everyone knows that in fact developments on the battlefield are extremely complicated and lively. In a battle, in one tactical form or another the troops and small units must respond to many complicated situations and attack many different kinds of objectives. In offensive combat, attacking the enemy in fortifications or outside fortifications, the troops and small detachments must take actions to attack the enemy outside fortifications or inside fortifications. The offensive objectives and combat circumstances are continually changing. In some cases they only concentrate on attacking enemy infantry. In some circumstances they must fight both the enemy's infantry and their tanks and mechanized facilities. In some cases they must fight enemy tanks, mechanized infantry, and airplanes. And there are also many circumstances in which they must fight the enemy to the front, to the flanks, to the rear, and from the air. Therefore, in order to increase the courage, flexibility, initiative, and creativity of the troops and the small units, training according to operational objectives, and to the combat objectives and circumstances, is an appropriate method.

Training in combat techniques—tied in closely with physical training—must be a process of training in all stipulated in carrying out orders, and the necessary contents of the task of ensuring rear services and technical support. We use the method of organizing training to place troops under conditions that are close to the actual combat they must experience, which they must deal with independently. For example, after the period of completing of training in the subjects, we organize combined examinations. For the troops, they are called combined firing tests; for infantry squads and platoons they are called combined exercises with live ammunition. The contents of the exercises include giving the alert, preparing to move out, moving over a long distance, carrying 25 to 30 kilograms in different complicated terrain and weather conditions (through muddy fields, up mountains, and through thick jungles, including noontime and 1 or 2 in the morning), and dealing

with combat circumstances en route. Then the detachment enters the combat staging area, packages explosives, completes all combat preparation plans, occupies a combat assaults position (at 2 or 3 in the morning), digs combat fortifications (horizontal and vertical), locates and disarms mines, detonates explosives to open a breach, carries out the assault, uses bayonets, throws grenades, uses explosives to destroy bunkers, uses weapons to fire at targets at different ranges (infantry targets Nos 4, 6, 8, 9, and 10), fires at helicopters, and uses RPG's to attack tanks at distances of from 800 to 1,200 meters. After fulfilling offensive missions, the unit rapidly occupies advantageous terrain, shifts over to the defensive to resist enemy counterattacks, and organizes withdrawals as directed by the combat command. That training method has enabled the troops and small units to act in a manner similar to actual actions on the battlefield, fight bravely, be flexible, and take the initiative. At the same time, it permits relatively accurate evaluation of the quality of combat training after each training phase.

4. Guiding Combat Training

The situation and results of combat training are always directly related to the good points, deficiencies, strengths, and weaknesses of training guidance by the echelons, from the ministry, military regions, armed forces branches, and combat arms, to the units and detachments.

Everyone knows that each echelon, battlefield, and unit has differences with regard to missions, functions, positions, and subjective and objective conditions. Therefore, training guidance must adhere closely to those conditions. We must avoid formalism, remoteness from actuality, doing other people's work for them, and being mechanicalistic. That situation causes the lower echelon to be passive and become disoriented, prevents training from being tied in with the combat readiness mission or being appropriate to the objectives, and create for the lower echelon a habit of arbitrariness and not adhering closely to the training contents and guidelines, so training is only so-so.

In 1987 we began to renovate the guidance of military training. With a spirit of looking directly at the truth and correctly evaluating the actual situation, the quality of the troops, and the quality of combat training, there have been renovations in guiding the training contents, programs, plans, organization, and methods, and a number of new results were attained in training troops and detachments. With the slogan "correct mistakes," we overcame a number of deficiencies of past years, created a new transformation in combat training guidance, and created momentum for development in succeeding years.

With regard to this year is combat training guidance, the ministry has set forth a number of new stipulations regarding plans, curricula, organization, and methods.

The ministry is concentrating on setting the major guidelines regarding the training goals, contents, and methods, and with regard to the time and procedures of the steps in carrying out training for the entire army. The right of the lower echelon to take the initiative in planning was stipulated in a more appropriate manner. That renovation has created such initial transformations as the training guidelines being stipulated more clearly with regard to the spheres of the entire army and each battlefield, unit, armed forces branch, and combat arm, and the military training plans at each echelon being more appropriate to the actual situation, and the quality of training being improved in comparison to previous years. Therefore, we have avoided the situation of the upper echelon setting forth contents and requirements which the lower echelon is incapable of carrying out. The guidance style is more appropriate and specific.

However, there are still problems requiring further study. The stipulations of the ministry regarding the total amount of annual training control for the units, armed forces branches, and combat arms are necessary, but the beginning and ending dates should not be fixed. Each battlefield (area in which troops are stationed) and unit may, on the basis of its conditions and circumstances, set beginning and ending dates that are appropriate to the total annual training time. With regard to the contents and subjects, and to the specific training times of those subjects, the ministry should only stipulate the extent of the course and the requirements that must be attained, while the lower echelon should be allowed to determine the training time of each course, so that it can be in accord with the unit's mission and function. An extremely important matter, we believe, is that the ministry should determine the level troops should attain after a training phase, and there must be specific norms and requirements for the categories (command organ, technical specialty, troops, detachments). The ministry will organize inspections, evaluate results, and create a basis on which to propose norms and plans for future years.

In accordance with the ministry's guidance, this year our unit has concretized its training missions and directions in the form of contents and norms for troops and small units. We stipulated the training time so that it could be appropriate to the unit's situation. That stipulation was the adoption of the system of 10 hours of military training, political education, and political activities. The time is divided as follows: 8 hours of daytime training (7 hours of training in contents according to the schedule and the 8th hour for the troops to review the contents with regard to which they are still weak; the command cadres at the company and battalion levels organize inspections to grasp the results of training during the day). At night, 2 hours (from 1900 to 2100) are set aside for studying and such military topics as studying orders, practicing disassembling and assembling weapons at night, digging fortifications, etc., and open political and economic activities. The troops rest Saturday and Sunday nights. That both increases the time for training and

educating the troops, and creates for the troops the habits of activity and study and a military way of life. It has also help tighten troop management by cadres at all levels.

It is essential that the ministry control the training contents and the time set aside for the basic contents, in order to set the strategy for the army and the various types of forces. But when concretizing that stipulation full attention must be paid to the different characteristics of the various kinds of forces, positions, and functions of each unit in order to make appropriate decisions. For example, the ministry makes uniform stipulations regarding the training time of the offensive and defensive subjects, but the combat missions of each force usually differ, so the time spent in offensive or defensive training by each force must differ.

Guidance (command) by the upper echelon is the specific implementation of the orders, directives, plans, and guidance documents of the upper echelon. Each echelon, on the basis of its missions, positions, and functions, according to a decentralization of management, concretizes a system of plans, programs, and schedules, and stipulates the details to exercise guidance (command) that is appropriate to the actual conditions. However, the right of each echelon to take the initiative in concretizing training plans so that they can be appropriate to the actual conditions of each echelon does not mean that it can do as it wishes and arbitrarily reduce the time, add or reduce contents, or use material facilities for military training in other tasks, in violation of the regulations of the ministry or the upper echelon. If it does so, military training will not adhere closely to the missions and guidelines, will have incorrect objectives, and will miss the mark.

Therefore, training guidance (command) must always firmly grasp the missions, guidelines, contents, goals, and requirements that must be attained within the stipulated time. On that basis, it must take steps to organize training and education in the contents, with good material support conditions, and carry out supervision and inspection, and command of the lower-echelon organs and units so that they can enter the correct orbit, in correct accordance with the intentions of the upper echelon, and attain high-quality results. That is one of the best ways to increase the rate of building a conventional, modern revolutionary army that has a high degree of combat readiness and fights victoriously.

5616

ECONOMIC

Soviet Cooperation in Producing Export Goods
42090150A Hanoi NHAN DAN in Vietnamese
2 Feb 88 p 1

[Text] Hanoi is expanding cooperation with the Soviet Union in producing many export goods. Initially, the city delivered to the Soviet Union 248,000 pairs of crepe rubber soles.

The city set up a committee to guide the consumer and export goods program and organize cooperation with the Soviet Union, and formed three combines to produce export goods: leather shoes, readymade clothing, and cotton towels for export. In order to do a good job of exploiting their capital, labor, and factory equipment capabilities, the combines are made up of many different economic components: the state, cooperative, and family production sectors.

The city invested nearly 1.2 million dollars to help the production installations make in-depth investment in technical facilities in order to increase output and improve product quality. By applying many forms of capital mobilization, including contributions by cadres, workers, and civil servants, the Hanoi leather shoes enterprise, the Thuong Dinh cloth shoes enterprise, the Minh Khai textile enterprise, and Hoan Kiem and Dong Da wards mobilized 66,400,000 dong to improve 6,900 sq m of factory buildings and build 30,000 sq m of new factory buildings. Clothing Enterprise 875 mobilized nearly 19 million dong from cadres, workers, and civil servants with which to purchase 222 additional serving machines, cutting machines, and trucks. The Hanoi Leather Shoes Enterprise imported additional machines and gradually brought three crepe rubber soles production lines into operation, with a capacity of more than 1 million pairs of crepe rubber soles per year.

In addition to increasing investment in equipment and technical facilities for the production installations, the city is gradually applying incentive policies and is striving to cooperate with the Soviet Union in producing, by 1990, five products with a volume of more than 80 million items, in order to create additional jobs, develop production in Vietnam, and increase our export index.

5616

Ho Chi Minh City Expands Foreign Commercial Contacts

42090153a Hanoi NHAN DAN in Vietnamese
3 Mar 88 p 4

[Text] Ho Chi Minh City is expanding cooperative relations with foreign corporations and economic organizations.

During 1987, 354 international delegations visited Ho Chi Minh City, creating favorable conditions for more than 800 trips by businessmen to the city.

Nearly 10 enterprises in the city have maintained cooperative production and business relations with foreign corporations for many years in the forms of contributing capital or purchasing raw materials and semifinished products, investing in equipment and technology in return for products, etc. Three enterprises of the city truly have investments from foreign countries since their deputy directors for marketing and business are side B individuals.

At the present time, foreign corporations and businessmen as well as Vietnamese living in foreign countries want to invest in a number of economic sectors of the city but are still concerned about the rate of exchange, salaries, electricity, water and land fees, and the problems of transportation and selection of a sector for investment.

7300

Ho Chi Minh City Constructs Oil Refinery
42090153b Hanoi NHAN DAN in Vietnamese
6 Mar 88 p 1

[Text] Along with urgent construction of the large oil refinery facility of Thanh Tuy Ha, with the agreement of the central government and assistance from the Oil and Natural Gas General Department and overseas Vietnamese in France and Belgium, four units, comprising the Grain Corporation, General Materials Corporation, Communications and Transportation Service, and Scientific and Technical Committee of Ho Chi Minh City established the Joint Oil Refinery Enterprise (Saigon PETRO). This oil refinery, with an annual output of 40,000 tons, is being built at Cat Lai, Thanh My Loi Village, Thu Duc District with an area of nearly 6 hectares; and the capital construction projects have now been completed. The enterprise has urgently accepted and assembled equipment and efforts are being made to begin production by June 1988.

In nearly a year of construction, participating units have moved, leveled and dug more than 70,000 cubic meters of sand and 16,000 cubic meters of earth and rock, constructed seven oil storage tanks with capacities of 100 to 2,000 cubic meters, and assembled and installed the entire pipeline system from the oil pier to the refinery center with a total length of more than 14 kilometers. Marine Products Construction and Installation Corporation 3 (from the Ministry of Marine Products) designed and constructed the port pier project and pipeline viaduct.

The Cat Lai Oil Refinery will initially study production of six primary product groups consisting of butane, petroleum ether, rubber solvent, paint, kerosene, and DO and FO oil.

Subsequent research will be conducted on products separated from those six groups to make hundreds of other products. The enterprise has imported and is presently using a DISTOP-100 (a 100 liter/batch crude oil still) destined for use in establishing a distillation research and support facility at Binh Trieu. The DISTOP-100 will first be temporarily installed at Cat Lai for use in defining an optimal system of technical parameters to support the Cat Lai Oil Refinery.

7300

New Progress in Iron and Steel Making
42000314b Hanoi VIETNAM COURIER in English
Feb 88 p 4

[Article by Kien An]

[Text] Construction began on 15 November 1986, of a plant turning out 22,000 tons of soft iron a year. It was put into operation on 7 November 1987, one year ahead of schedule.

The plant was designed and built by cadres and workers from 25 shops of the Thai Nguyen iron and steel combine under the Ministry of Mechanical Engineering and Metallurgy.

In the space of one year, they moved 60,000 cubic metres of earth and stone, cast 28,500 cubic metres of concrete, made 194 tonnes of equipment, assembled 860 tonnes of structural steel, 3,200 metres of pipes, built a 560—KVA sub-station and assembled 18 control panels.

On 29 November last, the first tap of high quality soft iron was obtained.

The putting into operation of the plant marked new progress in iron and steel making in Vietnam.

In the same period, the Thai Nguyen iron and steel combine made other steps forward: to turn soft iron into steel in electric furnaces and small furnaces; to manufacture steel-cores for aluminum cables; to cooperate with the Song Cong diesel work—the biggest of its kind in Vietnam—in building a 6-tonne electric furnace which has turned out 200 tonnes of steel ingot so far.

/9738

Titanium Deposits in Binh Tri Thien Province
42000314a Hanoi VIETNAM COURIER in English
Feb 88 p 3

[Article by Minh Ngoc]

[Text] Titaniferous sand is found in deposits from 0.5 to 1 metre thick and 15-30 metres wide, running along the seacoast of such provinces in Central Vietnam as Binh Tri Thien, Nghia Binh, and Phu Khanh.

The analysis of the sand reveals that it also contains such ores as zirconium and monazite, which are used in domestic industries and appreciated on world markets.

Binh Tri Thien province ranks third in Vietnam with regard to titanium deposits and first with regard to zirconium. The deposits of titanium run for 60 km along the seacoast and can be easily exploited. Recently, 100 tons of ores have been extracted and test-processed by rudimentary means. A plan is afoot for the building of a plant which will process 20,000 tons of titanium, per year for home use and for export.

/9738

Goods Smuggled From Chinese Border to Hanoi
42090150B Hanoi NHAN DAN in Vietnamese
6 Feb 88 p 4

[Article by Vu Hieu]

[Text] Responding to the "Tasks that must be carried out immediately" movement, in order to stop the smuggling of goods across the border the public security police of the municipality of Hanoi concentrated their forces in investigating, locating, and arresting many gangs specializing in smuggling goods from the northern border to Hanoi.

From the Border at Cao Bang...

The Long Bien bus station is an important transportation hub connecting Hanoi with the northern provinces and vice versa. Taking advantage of that route, gangs of smugglers make trips to barter and buy goods, which they conceal and transport to Hanoi. With the assistance of the people and the bus drivers, and in coordination with the public security police of Cao Bang Province, the economic police of Ba Dinh Ward caught red-handed Hoang Xuan Luong, Lanh Van Ban, and Do Quang Hung, who smuggled a large quantity of goods from the Cao Bang border to Hanoi. Accomplices in Cao Bang City, Mrs Trieu Bich Van and her husband, were also caught harboring many smuggled goods.

Mrs Trieu Bich Van, a worker at the Hanoi Yarn Mill, lived in cluster 13, Mai Dong Subward, Hai Ba Trung Ward. Her husband was Le Ngoc Hau, of Da Si, Tien Hung, Ha Dong City. The couple were always present at 2B Phuc Tan Fields, Hoan Kiem Ward. They used that house on the bank of the Red River as a place to buy, sell, and hide goods smuggled from the northern border. In addition to the large quantity of contraband illegally harbored at their house, the public security police also found two books in which purchases and sales were recorded: 93 shipments were bought from 24 sources. Their capital amounted to more than 13.5 million dong, including thousands of Japanese-made Sharp electronic calculators, hundreds of pairs of velvet pants, tens of thousands of cigarette lighters and sewing machine needles, hundreds of thousands of flints, ulcer medicine, foreign-made lightbulbs, and 920 kilograms of herbal medicine purchased domestically.

...to the Border at Lang Son

Nguyen Van Tuan, Nguyen Van Chinh, and Vi Van Hoa, who specialized in smuggling goods from the Lang Son border to Hanoi, were also arrested by the Ba Dinh economic police with many contraband goods, including sewing machine needles, velvet pants, peacock quills, and thermos bottles.

Nguyen Van Tuan was a worker at the Utilities Enterprise of the Da River Hydroelectricity Construction Corporation. He lived in the enterprise's collective housing area in Tan Thinh Subward, Hoa Binh City, but he often went to 150 Yen Phu Street, Ba Dinh Ward. Tuan colluded with Chinh, a demobilized soldier who did not return to his home area, and Hoa, of Dong Kinh Subward in the city of Lang Son, who set up a smuggling operation from Lang Son to Hanoi.

Achieving merit to celebrate the Mau Thin spring, the economic police of Ba Dinh Ward recently arrested all members of a north-south smuggling gang at 45 Hang Than Street, and confiscated more than three quintals of gold, 46 sewing machines, and 1.3 million dong in cash. The owner of the house, Le Thi Hanh, colluded with Vu Nam Thang, a planning cadre with the Central Fish Hatchery, and Nguyen Cong Huyen, a cadre with the Export Aquatic Products Enterprise Combine of the Ministry of Aquatic Products, to obtain and hoard state goods, then sold them on the market to take advantage of price disparities.

The economic police of Hoan Kiem Ward sent cadres to the large markets in Lang Son to investigate. Practically none of the goods smuggled to Hanoi are displayed for sale there. There are control points along the Hanoi-Lang Son Road, but smuggled goods still flow to Hanoi and are openly displayed and sold at private stores. After investigating and combining professional measures with assistance by the people, the public security police arrested Nguyen Dac Hai, of 84 Hang Buom, with 121 kilograms of synthetic sugar, 397 cans of Japanese beer, and 7 kilograms of brewer's yeast and baking powder produced in France. Hai colluded with cohorts in Bac Ninh (Ha Bac) to buy goods smuggled across the northern border. To avoid being searched by the public security police, they rented cars, used vehicles belonging to the units, or used motorcycles to transport the goods from Bac Ninh to Hanoi. They not only sold synthetic sugar in Hanoi but also sold it in Ho Chi Minh City, or exchanged it for other goods which they took to sell or exchange at the border.

Nguyen Thi Thuy Hoa, of 12 Cua Nam Street, along with Nguyen Tien Vinh, a materials cadre at Dinh Bang village, Tien Son District (Ha Bac), specialized in smuggling goods from the border to Hanoi and to sell in Ho Chi Minh City, and took goods from those cities to sell at the border. They also fell into the hands of the law. At the home of Mrs Hoa, the public security police confiscated 53 kilos of synthetic sugar, 143 meters of velvet cloth, and 150,000 dong in cash.

Lesson Learned

Many gangs which smuggled goods across the border have been arrested and prosecuted according to law. But that phenomenon continues to occur because too few goods are produced in our country, and many products are of poor quality or do not meet the consumer needs

and tastes of the people. Furthermore, the inspection and control work at the border is not yet carried out intensively and the control personnel are deficient with regard to numbers and effectiveness. Because the management work of a number of organs and enterprises is still lax and careless, smugglers take advantage of cadres, workers, and civil servants to collude, conceal contraband, and slip contraband past the control points. The population management work is not yet carried out meticulously and tightly, and the traffic police still work in a bureaucratic manner and are ineffective.

In order to restrict and eventually eliminate the phenomenon of smuggling goods across the border and to Hanoi, in addition to stepping up production and improving the quality of consumer goods, it is necessary to intensify inspection and control at the ports of entry and on the transportation arteries. The state must take specific steps to prevent goods which have not passed through customs from being sold at private and state stores.

5616

SOCIAL

Fund Set Up To Encourage Talents in Vietnam

42090145b Paris DOAN KET in Vietnamese Jan 88 p 9

[Text] The "Fund to Encourage Talents in Vietnam," which was made public at a press conference in Ho Chi Minh City on 7 August 1987, is a project in long-term cooperation between overseas Vietnamese associations in West Berlin, Belgium, Canada, West Germany, and Australia. The fund pursues three goals:

Create additional conditions for students and young researchers to develop their capabilities, contributing to training talented personnel for the fatherland;

Contribute to developing the nation's science, technology, culture, and education;

Associate overseas compatriots more closely with the nation's building.

Eligible persons include:

Senior students at domestic colleges and advanced schools with top academic grades;

Researchers whose works contribute effectively to the economy and livelihood.

Scholarships are to be granted, as follows:

A cash grant of \$10 a month to a student and of \$20 to a researcher.

Each scholarship will last 2 years.

The grant program for the 1987-88 school year includes:

100 scholarships to be distributed at the three pilot centers of Hanoi, Hue, and Ho Chi Minh City.

In France, a scholarship sponsor would send in 60 fr per month, 720 fr per year, and 1,440 fr per more than 2 years. Suggestions and donations should be addressed to: Association of Vietnamese in France (UGVF), 16 Rue du Petit Musc, 75004 Paris.

Checks should be made payable to UGVF and the following should be written on the reverse side, "Fund to Encourage Talents."

9213/9274

Overseas Vietnamese Associations Set Up Fund for Students

42090145a Paris DOAN KET in Vietnamese Jan 88 pp 9-10

[Interview with Le Van Tien, secretary general of the Association of Vietnamese in the Federal Republic of Germany by DAT NUOC magazine; date not given; first 3 paragraphs are source-supplied introduction]

[Text] In their meeting last summer in Ho Chi Minh City, overseas Vietnamese associations from West Berlin, Belgium, Canada, West Germany, and France decided to set up a "Fund to Encourage Talents in Vietnam," to "train talented personnel and encourage and help outstanding students and young researchers living in Vietnam." (DOAN KET, October 1987) In the 1st part of that cooperation program, 100 scholarships for the 1987-88 school year are to be distributed at the three pilot centers of Hanoi, Hue and Ho Chi Minh City.

Early in November 1987, the Council of Ministers authorized overseas Vietnamese associations to carry out that program. Since January 1988, the fund has granted scholarships to students at Hue University.

To acquaint readers with the "Fund to Encourage Talents," we carry below an interview of Le Van Tien, secretary general of the Association of Vietnamese in the Federal Republic of Germany, who has been designated to serve as chief liaison and coordination officer of the fund. (The interview was conducted by DAT NUOC magazine in West Germany.)

Question: The meaning and goal of the "Fund to Encourage Talents" are clear. Please tell me about your plans and whether the fund raising campaign so far has encountered any difficulties or obstacles?

Answer: As you know, since this is a common project put forward by various associations, cooperation is very important. In the 1st stage, we expect to grant promptly 100 scholarships for the 1987-88 school year at the three

centers of Hanoi, Hue and Ho Chi Minh City. The situation is favorable in Hanoi and Hue. In Ho Chi Minh City, we have to clear a few procedures, but no major hindrances are in sight.

Although the campaign has just begun, many of our overseas compatriots have shown active support. In the Federal Republic of Germany, particularly, 30 of them have pledged 40 scholarships (21 one-year scholarships and 19 two-year scholarships). In the days to come, more commitments are expected. These do not include commitments from other friendly associations with which we are in contact. Final results may well exceed modest initial predictions.

Question: Why is fund restricted only to a few colleges? It is advisable—as many suggest—to include high school students?

Answer: First of all, we have just made a start with no experience yet. Overexpansion would make it difficult for us to organize and manage. And since commitments are limited, overexpansion would entail inefficiency. Furthermore, there are a great many high school students and their skills are just budding; so if we want to focus on them we should devote a longer time—5-10 years without interruption. In my judgment, we are not yet able to implement such long range projects. Thus, during the 1st stage, we suggest to concentrate on a few colleges and, even so, we can only grant scholarships to senior students whose aptitudes are already in full growth.

Nevertheless, what you say may be a good suggestion for us to ponder and develop in the future when conditions permit. We may begin with granting prizes to top winners of contests to pick outstanding high school students. We also plan to offer research scholarships or cash prizes to valuable works of young researchers. All of this will depend on the outcome of the fund raising campaign. In the days to come, we will issue adequate information on eligibility requirements and scholarship amounts and will invite popular comments.

Question: What should be done to select the right young talents for help and encouragement and to ensure that payments be sent to the right persons, thus avoiding to be mislaid or misappropriated?

Answer: For me, there are four measures: (1) Eligibility requirements should be made simple and should be posted at receiving offices. Vocational capabilities and

educational performances are the sole criterion for selection, (2) representatives of overseas associations should participate in the selection process, (3) popular input should be broadly-based and grades should be verified at concerned colleges and, (4) cash scholarships should be sent by banks directly to recipients and transfer records should be made to ensure straightness.

Question: Is bank transfer necessary? Is there any other approach, for instance contracting out government organs for investing these scholarships into business ventures—an approach that may make a profit exceeding many times the initial capital?

Answer: All things considered, these scholarships are a hearty contribution of our overseas compatriots that reflects their patriotism; therefore, we should offer correct and honest management and easy access to control and verification, taking care not to generate doubts that may affect popular confidence and to shun inevitable fluctuations of economic activities. That is why although we know that other approaches are more “economically rentable,” we still suggest the bank transfer formula.

Question: It is right to focus on young talents. But teachers encounter many difficulties in life as well. Why do we give no attention to them during the current campaign?

Answer: “Not yet” is a more proper word than “no.” Because as I said above, presently “financial resources do not measure up to the willingness to do.” However, we are striving to get at least a few gift prizes for outstanding teachers, seeing this as a common exhortation to contribute to caring for our youths. This trend is being seen in the current campaign.

Question: Overseas contributors to the fund do want to meet the students whom they sponsor. Do you consider any response to these warm feelings and expectations?

Answer: Nothing is better than that. Why don't we satisfy requests from both sides by holding meetings whenever overseas compatriots go back in great numbers, for instance, during the upcoming Tet festival? I also hope that this sentimental relationship will become tighter and tighter with our overseas compatriots continuing to help our youths pursue their research activities or make long range commitments to serving the fatherland in the future. Our wish is that one overseas compatriot maintains brotherhood ties to one or several youths living in Vietnam. Please lend us a hand to make that dream come true.

9213/9274